

Role of Self- Help Groups in the Development of Women Entrepreneurship in Rural India

Sweta Kumari

Department of Economics, University of Allahabad, Allahabad-211002
E-mail- shwt0010@rediffmail.com

Abstract—There are 6, 40,867 villages in India. Female population is consist 48.25% of the total population in which majority of population is living in rural areas. Women development is a process in which women challenge the existing norms and cultural, to effectively promote their well-being. The participation of women in self-help group (SHGs) made a significant impact on their empowerment both in social and economic aspects. Yet women are subservient to men as they are subject to many socio-economic and cultural constraints. The situation is more severe in the rural and backward areas. Women development activities must be given importance to eradicate poverty, increase the economic growth and for better standard of living. The SHG promotes small savings among its members. Self-Help Group (SHG) is a small voluntary association of poor people, preferably from the same socio-economic background. SHGs promotes leadership quality in rural women which emphasis their living standard. The study addresses women leadership through self-help groups in India. The paper is based on secondary data .The data have been taken from many articles of rural development and empowerment of SHG women. This paper tried to analyze the growth of women SHGs in terms of grant support by NABARD and also studied the performance of number of women SHGs saving linked with Regional Rural Banks and their Saving amount in Northern Region, North Eastern Region, Eastern region, Central Region, Western region and Southern Region in India.

Keywords: Women Development, Women Entrepreneurship, Self-Help Groups, Rural Economy, Regional Rural Banks etc.

1. INTRODUCTION

Today most of the developing countries emphasis the need for development of women. Our first prime minister of Independent India Pandit Jawaharlal Nehru ha pointed out that, “**The women of India should play a vital role in building strong nation.**”(Sankaran 2009). Basically women are considered economically and socially weaker sections of the society. According to Census(2011) 68.84% of the population is living in rural areas and there are 6,40,867 villages in India. Female population is consist 48.25% of the total population in which majority of population is living in rural areas. There are several issues related to women in rural India. Rural women are facing many difficulties in their life because most of them are illiterate compare to men or

economically dependent upon their male members of the family. Women in rural areas mostly work in their own land, so their work is unpaid. They work in agriculture which not be considered. They didn't have decision making power in their family or society. Thus it is most important to provide a safe and healthy environment to women so they get a chance to equally participate in the nation's progress. Self- Help Groups has enabled women to gain greater control over resource like material possession, intellectual resources like- knowledge, information, ideas and decision making power in home, community, society and as well as the nation.

1.1 On Self- Help Groups-

The concept Self - Help Groups is origin in Bangladesh in 1975. It was a pilot change by Mohammad Yunus. In India NABARD has initiated it in 1986-87. Self Help Groups is a small homogeneous voluntary association of 10-20 people from same economic background. They came together to solve their problem by personal interaction and mutual help. They collect savings from each other and kept it into bank. This fond is known as SHG. On the basis of their savings they get loan from the banks and start business and improve their status.

2. OBJECTIVES-

- To study the Region wise pattern of Grant Support to women SHGs in rural area by NABARD.
- To disuses the progress of Women SHGs in saving pattern with Rural Regional Banks in rural India.

3. RESEARCH METHODOLOGY

This paper is based on secondary data .The data have been taken from many articles of rural development and empowerment of SHG women, edited books, Status of Microfinance Report in various issues, Annual Reports of NABARD.

4. DATA ANALYSIS-

Table 1: Region wise Grant Support Sanctioned and released to Women Self- Help Groups in backward district (Amount in Lakh)

Regions Name	No. of District	Year 2013-14		Year 2015-16	
		Grant Sanctioned	No. of SHGs Credit linked	Grant Sanctioned	No. of SHGs Credit linked
Northern Region	12	1635.50	2319	1685.50	7849
North Eastern Region	18	861.60	250	897.60	1388
Eastern Region	59	8046.50	22625	9780.50	33207
Central Region	29	3590.00	4938	4144.00	11972
Western Region	10	1911.20	1765	1828.60	7993
Southern Region	150	1964.30	50875	2161.90	41578

Source-Status of Microfinance Report of NABARD (2013-14-2015-16)

Table 1 describes Region wise Grant Support Sanctioned and released to women self help group in backward district in India. Table clearly showed that in Southern Region 150 District are covered by the grant sanctioned during 2013-14 to 2015-16. In 2013-14, 1964.30 amounts were sanctioned to 5087 SHGs in 150 district of Southern region. But in 2015-16 the Sanctioned amount is increased with Rs. 2161.90 in 150 district of Southern region while number of women SHGs is decline. This indicates a strong position of Women SHGs in southern region. Southern region got highest amount in 2013-14 while in 2015-16 Eastern regions covered more amount with 59 districts. Eastern region got 9780.50 sanctioned amounts to 33207 SHGs compare to 8046.50 amounts to 22625 SHGs in 2013-14. It clearly indicates that performance of Southern region and Eastern region are high in terms of amount sanctioned and number of women SHGs in 2013-14 as well as 2015-16. Reason behind this growth is that SHG is most popular in southern region. Women take interest to built new SHGs and performed their best. On other side North Eastern regions are the least performer for getting sanctioned amount as well as number of WSHGs during 2013-14 to 2015-16. Above table indicates that North Eastern regions got only 861.60 sanctioned amounts for 250 SHGs in 18 districts during 2013-14 which is increased with 897.60 sanctioned amounts for 1388 SHGs in 18 districts during 2015-16. There is a progress in sanctioned amount as well as

number of SHGs till 2015-16. Self- Help groups are not success in North Eastern regions due to increase in NPA. So increasing NPAs is the major reason behind the poor performance of SHGs in North Eastern Regions. Considered the North region, central region and Western regions are performing well in number of SHGs and get enough sanctioned amount during 2013 to 2016. Thus above table clearly indicates that NABARD initiated to progress of WSHGs in rural economy of India.

Table 2: Progress under Microfinance Savings of SHGs with Regional rural Banks (Amount in Lakh)

Years	Details of SHGs Saving Linked with Banks		Out of Total SHGs Exclusive Women SHGs	
	No. of SHGs	Savings Amount	No. of SHGs	Savings Amount
2007-08	1386838	357004.34	1179138	102942.46
2008-09	1628588	433912.32	1336219	177115.36
2009-10	1820870	129937.49	1240342	996864.25
2010-11	1983397	143539.67	1649422	119244.83
2011-12	2127368	130013.93	1698705	103229.53
2012-13	2038008	152710.20	1683036	128054.08
2013-14	2111760	195985.73	1753387	139081.96
2014-15	2103453	196235.82	1154281	111014.36
2015-16	2256811	248428.13	1340791	126645.29
Total	17,47,093	19,37,867.63	1,13,36,616	11,07,014.12

Source-Status of Microfinance Report NABARD (2007-08 to 2015)

The above table 2 shows the progress under Microfinance saving of SHGs and women SHGs with Regional Rural Banks (RRBs). The table gives details about number of total SHG with saving linked and their savings amount as well as number of women SHGs and their savings

Amount out of total SHGs linked with Regional Rural banks. Table describe the growth of total SHGs as well as women SHGs from 2007-08 to 2015-16. We can see that in 2007-08 there were 1,38,6,838 total SHGs of saving linked with RRBs which is increased by 2,25,6,811 (62.71%) till 2015-16. The total number of SHGs saving linked with RRBs is continually increased from 13, 86,838 to 21,27,368 during 2007-08 to 2015-16. During the five years progress of SHGs with saving linked is 6.08%. There is a decline in number of SHGs in 2012-13 may be due to proper utilization of saving amount by SHGs for internal lending (NABARD 2012-13).

The progress of number of women SHGs saving linked with RRBs out of total SHGs also shown in the table. In 2007-08 total number of WSHG was 1179138 which increased by

1340791 in 2015-16. About 13.7% increased in number of women SHGs saving linked from 2007-08 to 2015-16. There are many up and downs in number of women SHGs saving linked from 2007-08 to 2015-16 but it still increasing from 1179138 in 2007-08 to 1340791 in 2015-16. There is also a positive trend between the shares of number of women SHGs saving linked out of total number of SHGs savings linked with RRBs. The main reason behind this progress was that among the major states Assam, Karnataka, Rajasthan and Tamil Nadu have reported upward trend in the number of savings linked SHGs compared to the 2011-12 states. In 2007-08 about 1179138 WSHGs are saving linked out of 1386838 total SHGs Saving linked. Which is increased by 1340791 WSHGs out of 226811 total HGs saving linked with RRBs in 2015-16. The main reason behind this progress is that the western region recorded the highest decline of 15% in the number of saving linked SHGs while Karnataka recorded a positive growth with 35% in number of SHGs.

Table 2 also discuss about the saving amount of total SHGs as well as WSHGs. In 2007-08 total SHGs have 357004 saving amount but in 201-16 it is only 248428 lakh which is decline from 43.70%. On the other side WSHGs have 102942 saving amount in 2007-08 while it are 12664.29 lakh in 201-16. It is increased by 23.02% during 2007-08 to 2015-16.

5. FINDINGS

On the basis of the table these are some major findings-

- Southern region got highest amount of grant support in 2013-14 by NABARD with 150 districts.
- Eastern regions covered more grant amount with 59 districts in 2015-16.
- Popularity of Self help groups in Southern region is major cause behind the progress.
- North Eastern regions are the least performer for getting sanctioned amount as well as number of WSHGs during 2013-14 to 2015-16.

- There were 62.71 increased in total SHGs of saving linked with RRBs from 2007-08 to 2015-16.
- About 53.39 increased in number of total SHGs Saving linked with RRBs which sides a positive impact o increasing number of SHGs with RRBs.
- During the five years 2011-12 to 2015-16 progress of SHGs with saving linked is 6.08%.

6. LIMITATIONS-

This paper is based on secondary data. In this paper only Regional Rural banks are considered to find the progress of Women SHGs. Only the year 2013-14 and 2015-16 are taken for the analysis of grant support by NABARD to Total SHGs as well as Women SHGS.

REFERENCES-

- [1] Baishya, D.et al.(2015). Role of Self-Help Groups in Empowering Rural Women: A case study on selected SHGs in Rani Block of Kamrup District of Assam. *IOSR Journal of Economics and Finance (IOSR-JEF)*, Vol.6, Issue- 2. PP.27-31.
- [2] Biradar, B. (2014). Effects on Self- Help Groups to Empowerment of Women in Rural Area of Billary District. *(EPRA) International Journal of Economic and Business Review*, Vol. 2, Issue-8. PP.84-89.
- [3] Nai, P.(2013). SHG helping empower Rural women- A Study. *International Journal of Social Science & Interdisciplinary Research*, Vol.2 PP. 126-135.
- [4] Patil, S.S (2013). Self Help Groups Promotes Rural Women Empowerment A study of Selected villages in Kolhapur District. *BVIMSR's Journal of Management Research*, Vol. 5, Issue – 2. PP 160-169.
- [5] Saravanan, M. (2016). The Impact of Self- Help Groups on the Socio- Economic Development of Rural Household Women in Tamil Nadu- A Study. *International Journal of Research – Granthaalayah*, Vol. 4, Issue. 7. PP. 22-31.
- [6] Sankaran, A. (2009). Trends and Problems of rural Women Entrepreneurs in India. *Southern Economist* Vol. 48, Issue – 4. PP 11-12.
- [7] Status of Microfinance Report by NABARD various issues.