

Role of Self Help Groups in Women Empowerment at Ramanagara Region - With Special Reference to Kanakapura Taluk

M. R. Prasanna^{1*}, V. Latha²

^{1,2}Assistant Professor, Dept. of Commerce, S. Kariyappa Rural PG & Research Center, Kanakapura, India

*Corresponding author: prasaramr@gmail.com

Abstract: Today, the self-help group movement is increasingly accepted as an innovation in the field of rural credit. It is a vehicle to reach the disadvantaged and marginalized section, which in the normal course cannot avail of credit facility from the bank. Women empowerment is a buzz word; now a day's SHG have been playing considerable role in modern India, self-help group is a group of 10-20 women, who work for the capacity building of themselves. It is unique approach to the financial intermediation. The approach combines access to low –cost financial services with a process of self-management and development for the women who are SHG members. SHG has transferred the real economic power in the hands of women, it has considerably reduced their dependence on men. This has helped in empowerment of women and building self-confidence, self-management, development for the women and uplifts their lives, families. It is also change the saving pattern of the society, and their members through the SHGs, basically it is formed by NGOs, Government agencies or Bank. Most of the bank promoted these kinds of groups in Karnataka. It is representing a unique approach to financial intermediations. This study is conducted to know whether the women's are satisfied with their credit facilities provided by the Banks. This paper is also an attempted to study the relationship between gender ration of the respondents, and awareness on various women empowerment schemes. The outcome of the study may help the practices credit schemes, and management, administration and policy makers to differentiate the satisfying factors from dissatisfying. This paper focuses on the steps to be taken to improve the facilities and measures to empower the women.

Keywords: Awareness, Movement, NGOs, Schemes and services.

1. Introduction

Microfinance is the provision of financial services to low-income clients, including consumers and the self-employed, who traditionally lack access to banking and related services. More broadly, it is a movement whose object is "a world in which as many poor and near-poor households as possible have permanent access to an appropriate range of high quality financial services, including not just credit but also savings, insurance, and fund transfers." Those who promote microfinance generally believe that such access will help poor people out of poverty.

A Self Help Group is a group of 10-20 women, who work for the capacity building of themselves. It is unique approach to the financial intermediation. The approach combines access to low –cost financial services with a process of self-management and development for the women who are SHG members. The Women empowerment is a buzz word today.

2. Concept of Self-Help Groups

The concept of SHG services the principle, 'by the women, of the women and for the women'. Self-help groups are voluntary associations of people with common interests formed to achieve collective social and economic goals. Such groups are organized for mutual help and benefit. It is formed democratically without any political affiliations. They may comprise of 15–20 women and/or men, although they generally consist exclusively of women members.

SHGs are formed by NGOs, Government agencies or Bank. Most of the bank promoted groups in Karnataka. It is representing a unique approach to financial intermediations. Today, the self-help group movement is increasingly accepted as an innovation in the field of rural credit. It is a vehicle to reach the disadvantaged and marginalized section, which in the normal course cannot avail of credit facility from the bank.

In India, more than 90 per cent groups are formed by women. It is done at micro or group level. The initial operations of SHGs start with collecting savings from members. These groups inculcate the habit of thrift among the members.

By collecting small saving huge amount can be raised. These groups advance loans to the needy members. The total funds owned by the group are thus circulated in the form of loan among the members. The identification, formation, and nurturing of groups is carried out by NGOs, other development agencies or banks with the promoters inculcating habit of thrift among members. Once the groups are trained and strengthened, they are linked to nearby banks, usually within six months of formation. Banks provide collateral-free credit in increasing proportion to the group's accumulated savings. All the initiatives such as selection of borrowers for availing credit, identification of activity, unit cost volume of loan, management of finance and procedures for repayment are undertaken by the

poor at the group level. Briefly, SHGs can be stated 'as a plan by the people, of the people for the people. It reflects the real people's participation in the process of development at micro level.

3. Concept Self-Help Group

SHG based micro finance programmes cover a large number of women; Micro finance through Self Help Group (henceforth SHG) has been recognized internationally as the modern tool to combat poverty and for rural development. SHGs have emerged in order to help poor women to secure inputs like credit and other services.

SHG has transferred the real economic power in the hands of women, it has considerably reduced their dependence on men. This has helped in empowerment of women and building self-confidence, self-management, development for the women and uplifts their lives, families. It is also change the saving pattern of the society, and their members through the SHGs.

Self-Help Group is a voluntary association of poor formed with the common goal of social and economic empowerment. The members volunteered to organize themselves into a group for the eradication of poverty of the members. 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. Before Self-Help Groups are formed, hold a meeting of the community leaders and elders of the village. This is the right time to tell everyone that the meetings are not for "giving" anything, but to enable, the poor families to come together and help each other

Meaning: Self Help Groups are voluntary gatherings of persons who share needs or problems that are not being addressed by existing organizations, institutions, or other types of groups. The broad goals of a self – help group are to bring about personal and social –economic change for its members and society. All of those groups emphasize face to face interaction among members and stress a set of values or ideology that enhances member's personal sense of identity.

Self Help Group (SHG) is a small voluntary association of poor people, preferably from some socio-economic background. They come together for the purpose of solving their common problems through self-help and mutual help. The SHG promotes small savings among its members. The savings are kept with a bank. This common fund is in the name of the SHG. Usually, the number of members in one SHG does not exceed twenty.

4. Definition

According to Rajkumar "Self Help Groups (SHG) is a group of rural poor who have volunteered to organize themselves into a group for eradication of poverty of the members. They agree to save money regularly and convert their savings into a common fund known as the 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."

Literature Review

Mr. Amrinder Singh (2011) [1] Pointed the, SHG are to bring about personal and social economic change for its members & society. This survey had shown that the impact of village bank that provide group loans in villages, saving productions, and productive expenditures and on other variables. Change in the saving pattern of SHG members in Jammu Kashmir region.

Dr. A. Sundaram (2012) [2] Suggested that, the self-help is a method of organising the poor people and the marginalized to come together to solve their individual problem. The main aims of this paper are to examine the impact of SHG in socio-economic development of India. It may be kept in mind that a proper role transaction strategy and implementation of the same in letter and spirit is essential for the development of people's institutions social & economic change of the rural people especially for the rural women.

Rekha Ruthor (2013) [3] Analyzed the, financial inclusion is a too important for the sustainable growth of a country financial inclusion is delivery of basic banking services at any affordable cost to the vast sections of disadvantaged and low income groups. Microfinance through SHG has become an important vehicle to meet the savings & credit needs of the poor, especially women in rural areas.

Kappa Kondal (2014) [4] examined in his papers, women empowerment through self-help groups in Andhra Pradesh. SHG have a tool for remove poverty and improve the women entrepreneurship and giving financial assistance in India. In this paper identified that, the impact of SHGs on women empowerment in Gajwel Mandal of medak district in Andhra Pradesh. In the present study simple statistical tools adopted a great confidence in the minds of rural women to succeed in their day to day life.

5. Statement of the Problem

This study is undertaken to analyse the structure, conduct and performance of self- help groups and their role and impact on the women in Kanakapura Taluk. Women can gain such power, if their economic status, cultural and social status improves. Such type of Overall improvement can be taken care by SHGs. Involvement in Self Help Groups has enabled women to gain greater control over resources like material possession, intellectual resources like knowledge, information, ideas and decision making in home, not only in home, even also Community, Society and Nation, but majority of the women's are facing different problems in the field of financial management for her lives education and family maintenance.

6. Scope of the Study

The rural poor people are incapacitated due to various reasons, such as; most of them are socially backward, illiterate, with low motivation and a poor economic base. Individually, a poor is not only weak in a socio-economic term but also lacks access to the knowledge and information, which are the most

important components of today’s development process. To create a habit of savings, to Utilization of local resources, to mobilize individual skills for group’s interest, to mobilize the resources of the individual members for their collective economic development, to assist the members financially at the time of need, to identify problems, analysing and findings solutions in the group ,to act as a media for socio-economic development of the village, to help in the recovery of loans, to gain mutual understanding, development trust and self-confidence, to develop leadership qualities.

7. Objectives of the Study

1. To study the conceptual framework of Self Help Groups
2. To identify the reason for joining Self Help Groups
3. To know the socio-economic status of Women through SHGs.
4. To analyse the role of SHGs.
5. To Suggest the suitable suggestion for improve SHGs.

8. Hypothesis

HO: Majority of the Self Help Groups are giving financial support to his members.

H1: Majority of the Self Help Groups are not giving financial support to his members.

9. Research Methodology

Research methodology is a way of systematically solving the research problem. The methodology deals with the research design used and method used to present study. The research design adopted for study is convenience sampling method.

Sources of data: The data collection process follows the formulation of research design including the sample plan, while taking a decision regarding the method of data collecting to be used. Here I have taken both primary and secondary data’s.

The primary data’s collected through the interview of the SHGs members in Kanakapura Taluk, lastly secondary data is collected through the Journals, Books, and websites.

Sampling size: I have taken 110 SHGs in Kanakapura Taluk.

10. Limitations of Study

1. I have selected only 110 SHGs in Kanakapura Taluk.
2. I have restricted only for Kanakapura Taluk.
3. I have selected the SHGs and their members, through the convenience sampling method.

11. Data Analysis

A. Total No. of SHGs in Kanakapura Taluk

Self Help Groups are linked in some banks in the Kanakapura taluk. They are mentioned here, MDCC Bank, Cauvery Grameena Bank, Bank of Baroda and State Bank of India. These banks have been giving the credit facility to registered SHGs in the Bank.

Table 1

S.No.	Name of the Bank	No of SHGs Registered	Rate of Interest	Loan provided
1	MDCC Bank	360	14%	1,00,000-8,00,000
2	Cauvery Grameena Bank	60	13%	1,00,000-15,00,000
3	Vijaya Bank	650	13%	1,00,000-15,00,000
4	SBM	850	10.75%	1,00,000-15,00,000

(Sources: Primary data)

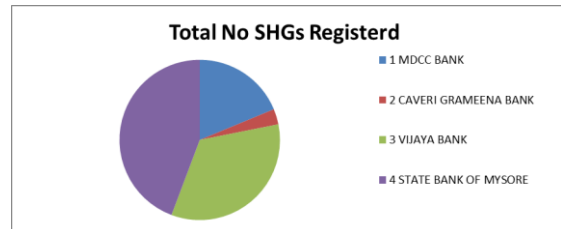


Fig. 1. Total no. of SHGs in Kanakapura taluk (Sources: Primary data)

Interpretation: in the above pie chart clearly shows the total numbers of SHGs registered in the various banks in Kanakapura taluk. Out of 1920 groups, 360 groups registered in the MDCC bank, 60 groups registered in Cauvery bank, 650 groups registered in Vijaya bank and 850 groups in State Bank of Mysore.

B. Rate of interest in various banks

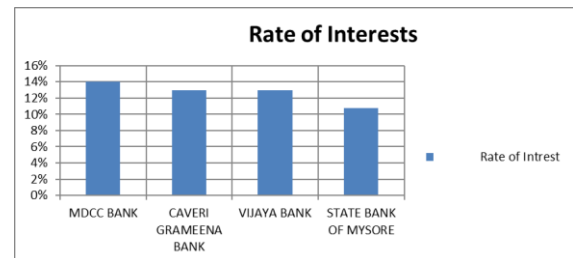


Fig. 2. Rate of interests (Sources: Primary data)

Interpretation: in the above Colum chart clearly shows the rate of interest in the above Banks.14% in the MDCC Bank, 13% in cauvery Bank, 13% in Vijaya Bank and 10.75% in State Bank of Mysore.

C. Loan facility taken SHGs

S. No.	No. of SHGs	No. of Times Loan Facility taken
1	60	10
2	32	8
3	8	8
4	10	4
Total	110	30

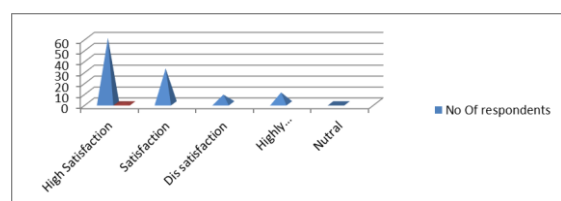


Fig. 3.

D. Satisfaction towards credit facility taken

S. No.	No. of SHGs Members	No. of Times Loan Facility taken
1	60	10
2	32	8
3	8	8
4	10	4
Total	110	30

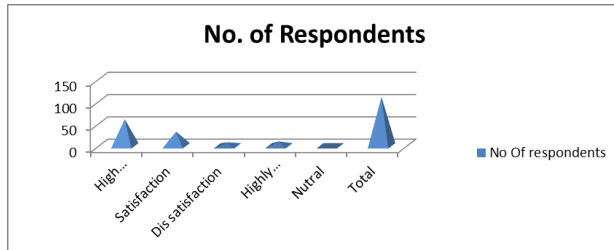


Fig. 4.

12. Findings

1. Majority of the SHGs are registered at SBM Bank.
2. SBM banks have been providing lowest interest rate for registered SHGs.
3. SHGs and their members are taking more loans from the various banks at Kanakapura Taluk.

13. Suggestions

1. As per the study banks should decrease the interest rates.
2. Banks frame good relationship with their customers.
3. Liberalise the loans conditions.

14. Conclusion

We can say that Self Help Groups is an effective organization for the upliftment of rural women's. However, they should be enlightened in the latest developments of the schemes, subsidy available, and margin money provided by the garment and sponsoring various economic activities by the non-government organization. The Self Help Groups can also be made more meaningful by involving the members to visit other groups and having interaction with them. In short SHG is a collective organization aiming at economic development of the members by undertaking multiple economic activities.

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