

Self-help-groups

Abstract:

India's self help group (SHG) movement has emerged as the world's largest and most successful network of community based organizations (CBOs). It is predominantly a women's movement.

SHG bank linkage program (SBLP) which is the India's own innovation has proved to be one of the most effective poverty alleviation and women empowerment programs. MYRADA was an early promoter of SHGs. In the early eighties, MYRADA and the Bhagavatula Charitable Trust of the Visakkapatnam district in Andhra Pradesh began mutual savings and credit groups in rural areas, mostly among women. These were probably the first instances of rural savings and credit groups in the country for and of women. In the mid eighties, there were a few more similar experiments, mostly in Andhra Pradesh and Tamil Nadu. The results were inspiring and the rural development department of the government of India invited NGOs, donors and bankers to discuss the possibility of consciously promoting savings and credit groups of women across the country, in place of the earlier DWCRA groups (Development of women & Children in Rural area).

Introduction :

SHG movement mostly the spread of SHGs and their federations, savings and credit linkage with banks and NABARD NGOs collaboration in the promotion as SHGs. Secondly it discusses the views of women on why they formed into groups how do they select members and who are they, thirdly it gives the profile of SHGs for the most part the age, size, social category and the promoters of SHGs. To understand how the poor, particularly women, form into groups, data was collected on who motivated them before joining the SHGs, were they already in any group, how did they select the members, whom did they include and exclude the study teams collected data during focus group discussions with the groups.

During focus group discussions the members reported that many key persons in the community such as NGOs, government officials, key persons like the sarpanch, teachers, educated persons and old groups in the village motivated them to form into the SHGs. According to SHG members, promoters played a critical role in forming them into groups.

Purpose of Joining SHGs :

During focus group discussion, the members have mentioned the following reasons.

1. To avail of credit for taking up income generation activities and for fulfilling social needs and obligations.
2. To promote savings and or to minimize household consumption expenditure for, further needs such as children's education and marriages, health old age security, and to build a house.

Selection of SHG members :

While forming a group they drew up criteria to select members or reject others. During focus group discussions, most of the groups reported that they considered the following criteria while selecting or rejecting members.

Criteria	Inclusion	Exclusion
Geographic aspects	Preference to women staying in the same street, area, locality and village	No preference to women staying in other streets, areas & Villages.
Economic aspects	Poor, same economic activity can pay savings and loan installment regularly	Rich/non-poor, job holders, can't or will not pay savings and loan installments regularly.

Socio – economic background of SHG members

Social Category :

There are a total of 23,781 members in 1942 sample SHGs. The data on social category of SHG members shows that many are BCs (35%) followed by SCs (21%) and OCs (19%). The percentage of STs (42%) in Gujarat, SCs (53%) in West Bengal BCs(68%) in Bihar and OCs (35%) in Maharashtra are some are when compared to all other sample states.

Profile of SHGs :

The basis of self help groups exists prior to any intervention. The members are linked by a common bond like caste, sub-caste, blood and community, place of origin or activity. These natural groups are commonly called, affinity groups, “Even when group members are engaged in a similar traditional activity like basket weaving, the basis of the group’s affinity is a common case of origin.

Social Category of SHGs :

The terms homogeneity applies to same / similar caste, economic, activity or socio-economic status. The term heterogeneity applies to groups whose members belong to different castes, occupations or economic categories.

Financial Performance and sustainability of SHGs :

The women were primarily formed into SHGs based on the Principles of self-help mutual benefit and self-reliance to access financial services and to access information and to use SHG as a platform for their empowerment and to access pro-poor programmer channeled through SHGs. The sustainability of SHGs depends on the financial performance of SHGs. The financial performance depend on how best the groups mobilize member savings, leverage bank loans and build a group corpus for on lending to their members for consumption and production purposes and recover from the members.

Key achievements :

Organized National conference of SHG federations and SHG women,s sessions in the Micro – Finance India summit 2018.

Organized women leaders workshops at the State and National level.

Published and discussed State SHG sector reports in some of the States.

Conclusion :

SHG strongly believes that only through collaborations with different stakeholders, the vital issues of women empowerment, poverty, eradication and financial inclusion could be effectively addressed. Indian school of Microfinance for women is an organization with thrust areas in capacity, building research and publication and policy advocacy.

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