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Self Help Groups (SHGs): History, Progress and Success Stories

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Abstract

The Government of India has designed and implemented number of schemes and programmes for poverty alleviation, employment generation and women empowerment as these are the core issues to address to attain the economic development. There are number of schemes for people residing in rural, urban and remote areas that range from SGSY, SGRY, SJSRY, REGP, SHGs etc. The basic reasons for poverty in India are population explosion, low agriculture productivity, unemployment, inflation and the social caste-system. The Self help groups (SHGs) model of empowerment and income-generation address the issues of poverty especially that of the poor women, SHGs helps in social, economic and political empowerment of women and promotes economic development. The model has been supported by banks, financial institutions and NGOs with participative approach with the members of the self help groups. Many states and union territories of India are successfully promoting and supporting the Self help group model of poverty alleviation and women empowerment.

Keywords: Poverty alleviation, women empowerment, SHG, NABARD and microfinance.

Introduction

There are number of Central Government programmes and schemes for poverty alleviation, women empowerment and employment generation. Some of the schemes are National Food for Work Programme, Swaranjayanti Gram Swarozgar Yojana (SGSY), Sampoorna Grameen Rozgar Yojana (SGRY), Swarna Jayanti Shahari Rozgar Yojana (SJSRY), Rural Housing – Indira Awaas Yojana (IAY), Pradhan Mantri Gramodaya Yojana (PMGY), Rural Employment Generation Programme (REGP), Prime Minister's Rozgar Yojana (PMRY), Mahila Shakti Kendra (MSK) and formation of self help groups (SHGs) to encourage women to participate in income-generation activities and to come out of poverty.

The primary reasons for poverty in India are (i) rising population- India every year adds 15 million people to its population base by far the largest world. The problematic aspect is that India accounts for about 17 percent of the world population worth only 2.2 percent of the world's land mass¹, (ii) low agricultural productivity due to fragmented land holdings, usage of traditional farming methods, lack of investment, ignorance of contemporary agricultural technology, losses brought on by insufficient storage, underutilization of resources, etc. Underemployment and disguised unemployment are problems, especially in the agriculture industry, (iii) unemployment is the other factor causing poverty in India. There are now more people looking for work as a result of the population's constant growth. To fulfill the need for work, however, the expansion of prospects is insufficient, (iv) the constant price rise has increased the burden the poor bear. Even though a small number of people have gained from this, lower income groups have suffered as a result and are unable to even meet their bare necessities and (v) Social factors as well as economic constraints are preventing the poverty alleviation in India. In this regard, inheritance rules, the caste system, etc. are some of the challenges.

The present paper mention about the concept, history, progress and success stories in Self Help Groups with need-based support from the financial institutions like banks, especially, National Bank for Agriculture and Rural Development (NABARD) and support provided to the SHGs from the NGOs to empower the SHGs' members by engaging in income-generation activities in India.

The concept of poverty alleviation and women empowerment through SHGs has to be viewed with concept of microfinance and Bangladesh is the cradle of microfinance with the formation of Grameen Bank in 1976 for poverty alleviation. The Grameen Bank found that women generally repay loans on time, use loan amount for productive activities and make expenditures to improve quality of life at family level. Hence, the Grameen Bank provided easy and accessible credit to the poor, especially poor women for promoting self-employment. Thereafter, microfinance has emerged as a potent tool in the new economy for poverty alleviation and empowering women. In India, ensuring affordable banking and credit delivery services to the rural and financially disadvantaged poor population was a slow process till the conceptualization of the Self Help Group (SHG) approach for building social capital to deliver savings and credit products for income and employment generation. By definition, a SHG is a socially and economically homogenous group of up to 20 people that was created voluntarily for the purpose of credit and savings, without any requirements for collateral security. SHGs should have well-defined rules and bylaws, hold regular meetings, maintain meeting minutes, offer savings and loans, practice responsible credit usage, and operate democratically. The concept of microfinance is primarily associated with women SHGs for economic, social and political empowering and in India can be traced back to the year 1972 when Ela Bhatt formed the Self Employed Women's Association (SEWA) in Ahmedabad. SEWA, which was established to protect the economic, social, and legal rights of women workers, encourages the development of member-based organisations

¹ Population Control in India. (2022). Reference Note. LARRDIS. Available at: https://loksabhadocs.nic.in/Refinput/New_Reference_Notes/English/15072022_141200_1021205175.pdf

for poor working women. The SEWA Bank was the first of these organisations, and it was followed by a variety of cooperatives and producer groups of women who made their livings as farmers, milk producers, and artisans. Later, women established cooperatives with a similar focus on childcare and health. Presently, SEWA is a multistate movement owned by women working in the informal sector that has spread across the nation. In 18 states, there were more than 2.1 million SEWA members as of the end of 2016. The member organisations of SEWA Bharat assist the movement in reaching out to disadvantaged women who work in the vast informal sector². Thereafter numbers of women SHGs have followed the SEWA model. These include the Tamil Nadu Working Women's Forum and the Maharashtra Annapurna Mahila Mandal and number of National Bank for Agriculture and Rural Development (NABARD)-financially sponsored groups. Mysore Resettlement & Development Agency (MYRADA) has promoted Credit Management Groups (CMGs), which are comparable to self-help groups, since 1987. The fundamental features of MYRADA model for women empowerment are: Affinity, voluntarism, homogeneity, and membership should be limited to 15–20 people. NABARD began actively marketing SHGs in 1991–1992 and it served as the actual launch pad for the "SHG movement." The Reserve Bank of India additionally permitted SHGs to create bank savings accounts in 1993. The ability to use financial services gave the movement a significant enhancement³.

The group approach (SHG) was dovetailed with the banking operations which gave birth to the concept of Self Help Group- Bank Linkage Programme (SHG-BLP). This savings led group approach to deliver a bouquet of financial services at the doorstep is one of the most prominent and pioneering financial inclusion initiatives. The SHG movement, now in its 30th year, has emerged as a powerful intervention to cover the marginalised sections of the society especially in rural areas. With active collaboration of NGOs, banks, the Government and of late, the NRLM, the SHG-BLP programme, as on 31 March 2022, covers 14.2 crore families in country through 119 lakh SHGs and 87% of these SHGs are women⁴.

Through the Micro Credit Innovations Department (MCID) of NABARD it has maintained its role as the nation's facilitator of microfinance initiatives. The Department's vision is to enable cost-effective and sustainable access to financial services for the unreached poor in rural areas through a variety of microfinance innovations. In order to move the initiatives ahead, NABARD has consistently focused on bringing different stakeholders together on a single platform and enhancing their capabilities. This led to the microfinance industry seeing enormous expansion using different strategies. Even the NGO sector, by organising, supporting, and facilitating the credit linkage of SHGs with banks has played a significant role as a Self Help Group Promoting Institution (SHPI). Later, NABARD adopted number of other organisations as SHPIs, including Farmers' Clubs (FCs), SHG Federations, Individual Rural Volunteers (IRVs), and Rural Financial Institutions (RRBs, DCCBs, PACS). Through the use of promotional

² <https://sewabharat.org/sewa-movement/>

³ Deshpande, A. (undated). An Evaluation of Impact of SHG on the Social Empowerment of Women in Maharashtra. National Commission for Women (NCW). Available at: <https://ncwapps.nic.in/pdfReports/SHG-Maharashtra.pdf>

⁴ Status of Microfinance in India 2021-22. National Bank for Agriculture and Rural Development (NABARD). Available at: <https://www.nabard.org/auth/writereaddata/tender/2707225843somfi-2021-22-final-english.pdf>

funding assistance from NABARD, these stakeholders were encouraged to take up the promotion of SHGs. Along with supporting the SHG movement and promoting it, NABARD has also organised and sponsored number of training and capacity-building programmes, seminars, and workshops for the benefit of all the stakeholders, including bankers, government agencies, NGOs, and most importantly, SHG members⁵.

In order to address the operational issues that emerges occasionally in empowering SHGs, product level changes such as allowing voluntary savings within the group, sanctioning a cash credit/overdraft system of lending to SHGs, allowing the formation of JLGs within SHGs, improving risk mitigation systems, building second tier institutions of SHGs, etc. were implemented later. Additionally, NABARD has supported Livelihood and Enterprise Development Programmes (LEDPs) for SHGs and Micro Enterprise Development Programmes (MEDPs) to help SHG members engage in livelihood activities. The NABARD is also implementing/supporting the execution of a number of Government of India-announced Schemes, including the Ministry of Finance's Promotion of Women SHGs (WSHGs) in underdeveloped and Left Wing Extremism-affected districts and the Ministry of Rural Development's National Rural Livelihoods Mission (NRLM)⁶.

In 1992, NABARD began a pilot project to link 500 SHGs with banks based on the findings of the Action Research Programme. As of March 31, 1994, 620 SHGs had been credit linked by banks, exceeding the pilot project's original goal of 500 SHGs, for a total loan amount of Rs. 65 lakh. By the end of the three-year period, on March 31, 1996, a total of 4,757 SHGs had been given credit through the use of 6 crore rupees in bank loans from 28 commercial banks, 60 RRBs, and 7 cooperative banks. As a result of this effective pilot, RBI/NABARD introduced three revolutionary innovations for SHGs. These innovations are: (a) Acceptance of informal groups as clients of banks – both for savings and credit linkage, (b) implementation of loans without collateral and (c) permission to lend to groups without mentioning their goal, activity, or project. By the turn of the 21st century, 50,000 SHGs had been formed in the country and there are currently 119 lakh SHGs in existence as a result of the RBI's inclusion of SHG-BLP as a priority sector activity in 1996. Due to the pilot project's success, the RBI decided to make SHG-BLP a mainstreaming part of banks' business activity. SHG-BLP was designated as a priority sector lending activity by the RBI in April, 1996. The growth of this programme was made possible by the RBI's recommendation to banks that microcredit should be a crucial component of their business credit plan and be reviewed at the highest level every three months. The progress of SHG-BLP beginning from 1987 to 2022 is presented in the Table with the period of 1987 to 2001 as Initiation, period of 2005 to 2012 as Consolidation and 2013 to 2022 as period of Innovation in SHG-BLP⁷.

⁵ <https://www.nabard.org/content1.aspx?id=1758&catid=8&mid=8>

⁶ <https://www.nabard.org/content1.aspx?id=1758&catid=8&mid=8>

⁷ Status of Microfinance in India 2021-22.

Table: 30 Years of SHG-BLP: Micro-credit to Microfinance

Initiation	
1987	– NABARD sanctioned Action Research Project to MYRADA
1992	– NABARD launches pilot project - linking 500 SHGs to banks by 1994 – RBI/ NABARD introduce 3 essential innovations in banking – informal groups accepted as bank clients – introduction of collateral free lending – lending to groups without specific activity/ purpose project
1996	– RBI declares SHG-BLP as Priority Sector Lending (PSL) activity – RBI suggests 3 models of SHG-BLP – 4750 SHGs credit linked with bank loan of R6.06 crore
1998	– As per Union Budget, NABARD to credit link 2 lakh SHGs in 5 years
1999	– Government of India makes special budgetary provision for supporting SHGs – Introduces SGSY
2000-2001	– NABARD institutes a dedicated Micro Finance Development Fund with corpus of R100 crore
Consolidation	
2005	– NABARD achieves target of promoting 1 million SHGs - 3 years in advance – UN designates 2005 as the ‘International Year of Micro Credit’
2006	– RBI announces use of Business Correspondent/Business Facilitator (BC/BF) for rural branchless banking – NABARD renames Micro Finance Development Fund (MFDF) to Micro Finance Development and Equity Fund (MFDEF) incorporating ‘equity’ component. – NABARD institutes Micro Enterprise Development Programme (MEDP) for matured SHG members – NABARD introduces Joint Liability Group (JLG) scheme for Self-finance (SF)/ Microfinance (MF)/ landless farmers.
2007	– NABARD’s support to MFIs for capital support, Revolving Fund Assistance (RFA) and Rating
2008	– Financial Inclusion Fund (FIF) setup in NABARD with overall corpus of R500 crore – Centre for Microfinance Research (CMR) set up in Bankers Institute of Rural Development (BIRD), Lucknow – NABARD subsidiary in MF sector- NABFINS established
2009	– JLG scheme extended for NFS activities with grant support for JLG formation
2011	– Swarna-Jayanti Gram Swarajgar Yojna (SGSY) restructured as National Rural Livelihood Mission (NRLM) – India microfinance Equity Fund created in Small Industries Development Bank of India (SIDBI) – Government of India issues instruction to banks for sanction of only Cash Credit (CC) limits to SHGs
2012	– NABARD introduces SHG-2 – Government of India launches WSHG programme in 150 Backward & LWE districts
Innovation	
2013	– NABARD discontinues MFDEF. All MF related interventions supported under FIF thereafter. – Government of India officially launches NRLM

2015	<ul style="list-style-type: none"> – NABARD launched LEDP for end-to-end solutions for sustainable livelihoods SHG-BLP Strategic Advisory Board constituted in NABARD – E-Shakti portal for digitisation of SHG records piloted in 2 districts. – NABFINS registered as NBFC-MFI & commences operations
2017	<ul style="list-style-type: none"> – E-Shakti project extended in phases to cover 4.29 SHGs across 100 districts/ 21 States & 2 UTs – EShakti spread- 11000 plus bank branches, 60000 plus villages, 46.69 lakh women members.
2019	<ul style="list-style-type: none"> – E-Shakti won the Association of Development Financing Institutions in Asia and the Pacific (ADFIAP) Outstanding Projects Award, 2019 under Financial Inclusion Category
2020	<ul style="list-style-type: none"> – NABARD introduces Business Model Scheme for Regional Rural Bank (RRBs)/ Regional Cooperative Banks (RCBs) for promotion & financing of JLGs – 12.8 lakh SHGs across 281 districts/ 26 States & 2 UTs digitised under E-Shakti
2021	<ul style="list-style-type: none"> – ‘BRICS Digital Financial Inclusion Report, India, 2021’ mentions project E-Shakti as one of the interventions by India towards enabling digital financial inclusion amongst the BRICS nations (Brazil, Russia, India, China and South Africa)
2022	<ul style="list-style-type: none"> – From 255 SHGs & bank credit of Rs. 29 lakh in 1992 to 67.40 lakh SHGs & bank credit of Rs. 1.51 lakh crore in 2022 – From 285 JLGs & bank credit of Rs. 447 lakh in 2005 to 188 lakh JLGs & bank credit of Rs. 3.27 lakh crore in 2022

Source: Status of Microfinance in India 2021-22. National Bank for Agriculture and Rural Development (NABARD). Pages 11, 13 and 15.

Self Help Groups: Best Practices⁸

NABARD in partnership with the NGOs and other agencies have promoted SHGs with providing accessible microfinance and where needed capacity building, marketing facilities etc. to the SHGs members by providing them training in skill development and income-generation activities across different states and union territories. Some of the best practice are presented here.

All Seasons' Clothing Solution, Madhya Pradesh

Seema Sonare is a member of Adhaar Priyasakhi Bachat SHG in Indore, Madhya Pradesh. She completed a LEDP on Boutique and Business Development Training with NABARD's support for scaling up her tailoring skills. After completing the training, she received a loan of Rs 50,000 from Madhya Pradesh Gramin Bank through her SHG and also started introducing other members of her group into her boutique business. The challenges the group members faced after availing loan were related to building good customer base through timely and quality work, catering to individual design preferences of customers and funds for buying sewing machines. Therefore, she invested her loan amount in purchase of good quality machines and raw materials for her boutique. She designed the clothing products herself by giving them an Indo-Western style. Her work became famous in her locality through word of mouth as people liked her work. She had also employed 3 other SHG members for her boutique

⁸ ibid. Chapter 4.

business and saves more than Rs. 15,000 per month after paying off her employees. With the financial support in the form of loan from NABARD she looks forward to expand business by employing more workers.

Fancy Bangle Making, Uttar Pradesh

A local NGO namely Shri Ram Jan Kalyan Shiksha Samiti in Etah district of Uttar Pradesh supported women SHG of Jarani Kalan village to avail a financial grant assistance of Rs 7.11 lakh sanctioned for a programme in making fancy bangles NABARD's LEDP. These women lacked awareness on income generating activities. They were also lacking in marketable skills for livelihood enhancement. With the grant, the women established a production unit in the village with arrangement of raw materials from M/s Banshi & Aradhya Bangle Store, Firozabad and buyback arrangements were finalised with M/s Radha Srimangalam Bangle Store, Firozabad. With setting up of this income-generating production unit, the SHG women members are now gainfully employed. With a way forward to strengthen market linkages, the SHG is opening a Rural Mart. They also plan to seek support from other stakeholders besides taking the products to other markets.

Midday Meal by SHG Women, Andaman and Nicobar Islands

The women members of Magpic SHG in Lamba Line, Andaman and Nicobar Islands since 2003 are engaged in income-generating activities of pickles and snacks making after collecting Rs. 1,000 per member per month. The products were sold at local shops with door to door delivery. In May, 2004, the SHG to upgrade its income-generating activities was sanctioned a loan of Rs.15,000 by the Andaman and Nicobar State Cooperative Bank Limited under NABARD's refinance scheme and started expanding their activities. As business developed, the group's daily income started rising from Rs.1,500 to Rs. 2,000. The Cooperative Bank also continued supporting the SHG by sanctioning additional loans at regular intervals as the Cooperative Banks was greatly satisfied with the repayment history of the SHG. Till date, the SHG has availed a cumulative loan of Rs. 20,95,000 from the Cooperative Bank.

The Sakthivel Murugan Cooperative Society was another cooperative society that the SHG had launched in 2007. After which, they received a tender from the Education Department for the provision of midday meal for school children and started supplying midday meals for the last 15 years. During 2022-23, they are expecting to provide midday meal to additional 300 students from Government Middle School, Corbyn's Cove, Brichgunj and Austinabad. The SHG also look forward to expand its midday meal programme to other schools. Presently, all members of the SHG are able to generate a monthly income to the tune of Rs. 2,000 to Rs.5,000 and an additional employment has been created for 4 unemployed women.

Dalma Suddh: Aroma and Taste of the Hills on Your Plate, Jharkhand

The majority of the people in Patamda Block of Dalbhum subdivision of East Singhbhum district, which is near to the Dalma Mountain range in Jharkhand, work as agricultural labourers. The small and marginal farmers who are members of SHGs were forced to sell their agricultural products, such as spices and pulses, in raw form at throwaway prices due to a lack of proper training and infrastructure. Productivity was also on the low side due to traditional agricultural methods and a lack of technical knowledge. For 90 members of 25 SHGs in Macha Village of the Patamda Block, NABARD provided funding for an LEDP on the production and processing of spices and pulses. The National Institute of Food Technology Entrepreneurship and Management (NIFTEM), located in Sonipat, Haryana, conducted the training programme for these SHGs' members. Also, in order to address the problem of frequent power outages, a processing unit worth Rs. 4.60 lakh was installed in 2022 for the solarization of spices and pulses through collaboration with the SELCO Foundation, with the SHGs covering 10% of the cost and the Foundation covering the remaining 90% of the cost.

As a result of these initiatives, SHGs of the Macha village started the production, processing and marketing of chili, cumin, coriander, turmeric and pigeon pea under the brand name 'Dalma Suddh – Masala & Daal'. The products are also made available for sale at retailers in Jamshedpur city as well as in local marketplaces. In Dhadkidih village, SHG members are establishing another processing facility. Members of SHGs are being integrated into the NABARD as Farmer Producer Organisation (FPO). By the end of the financial year 2022–2023, they intend to enter the national market via online platforms. Additionally, the SHGs formed marketing tie up with: (i) 'Palash Mart' – a marketing outlet chain supported by Government of Jharkhand, (ii) Forest Department for selling their products through the Department's marketing outlet in the Dalma Elephant Sanctuary and (iii) Institutional buyers like Namkum Farmers Producer Company and State Institute of Rural Development (SIRD), Ranchi.

Kantha Embroidery Artisan, West Bengal

A 23 years woman namely Ruksana Khatun with rudimentary skills in Kantha embroidery hails from a family of construction workers and lives in Barjora Block of Bankura district of West Bengal. She needed training in Kantha embroidery to turn her skill into a livelihood activity. Therefore, she joined a WSHG and trained in Kantha embroidery under one MEDP of NABARD from 05- 23 April, 2021, organised by Gosaidihi Astha Welfare Society (GAWS), which is an NGO in Barjora Block. The training focused on all components of Kantha embroidery, colour combination according to the market demand, finishing, costing and pricing of finished products along with the procedures for availing bank credit.

Ruksana Khatun with this skill-development support started earning Rs.4,000 per month as compared to Rs.2,000 per month prior to her training and during the festive seasons, her income increases to Rs.7,000 per month. She has established a demonstration and sale centre at Sarberia village, Bankura and has also tied up with few traders of Bankura, Bardhaman, Durgapur and Kolkata for sale of her products. Ruksana Khatun and her WSHG availed

bank loan of Rs.32,000 in September, 2021 through ACC (Artisan Credit Card) from Bankura DCCB to increase their volume of production and the Bank readily provided enhanced CC limit to the WSHG as their repayment is regular.

The skill-development training enhanced the skills of Ruksana Khatun and she started providing training on Kantha embroidery as a master trainer in her village. In addition to participating in melas and exhibitions, the members of the WSHG are in contact with different marketing agencies/ market players to sell their products on a larger scale with the assistance of the GAWS.

Adding up the Spice Value, Arunachal Pradesh

In the remotest Namsai district of Arunachal Pradesh a total number of 150 members of 14 SHGs were selected for a NABARD sponsored LEDP training programme on Promotion and Value Addition of Spices and Aloe Vera and Developing Standard Organic Agricultural Practices conducted by a farmer producer company namely Namsai Organic Spices and Agricultural Products Producer Company Limited (NOSAAP) in collaboration with the Arunachal State Rural Livelihood Mission (ArSRLM) and KVK, Namsai on the principle of 'one SHG, one product.' This initiative has been taken as the SHG members had traditional knowledge about value-added products but lack of knowledge about standardisation and packaging was a barrier in bringing their produce to the market as the packaging material were not available locally and cost of materials in Guwahati (Assam) was also high.

The products chosen were ginger powder, turmeric, aloe vera soap, banana chips, pickles, jams, candles, Black Rice, Khampti Lahi Rice, etc. An exposure visit for the selected members was also arranged to Annapurna Group in Guwahati, one of the largest FMCG brands in the entire North Eastern Region (NER). The group members after the training programme immediately started the production processes of these products.

The Programme Implementation Agency (PIA) also arranged for glass/plastic bottles, pouches, hot air guns, weighing machines, stickers, etc. for all the SHGs as per the needs and procured the necessary items from IndiaMART in bulk to reduce the overall production cost. NOSAAP strategically opened a retail outlet in the Namsai township area and the products slowly started capturing the local markets. The products are also supplied regularly to 'Arunachal Fresh Outlet' in the State Civil Secretariat, Itanagar and used as official/ corporate gifts. The promotion of SHGs with support from NABARD, ArSRLM and NOSAAP have inspired the members to initiate the process of obtaining organic certification and which is in underway. They are also motivating the other SHGs to take up these income-generation activities and to be a part of their existing network.

Frame Making with Nail and Thread Art, Gujarat

Bhav nab en Rameshbhai Vadaliya lives in a village close to forest in Gir Somnath district of Gujarat and is a daily wage worker with monthly meager income of Rs. 2100. The other women of the village also had limited resources to meet their day to day expenses and income-generation activities are limited only to agriculture. In 2016 Bhavnaben joined a SHG namely Madhuram Mangalam which was one of the SHGs for which NABARD organised an LEDP in Frame Making (Nail and Thread art) through a local NGO. She along with 30 other women of the village successfully completed the training programme. After completion of the training programme, Bhavnaben was given a cash credit limit of Rs. 1,00,000 from Saurashtra Gramin Bank through group mode. With these resources, she started making frames with Nail and Thread art and various types of photo frames and sold them in nearby areas. She is financially stable with working for Madhuram Handicrafts and her earning has enhanced to Rs.8,000 to Rs.10,000 per month. The NGO is also helping her and other trained SHG members in the sale of their finished products. Madhuram Handicraft is also giving them orders for frame making work on a regular basis. They plan to open a stall in the Rope Way area in Junagadh with CSR funds from Usha Breco Limited (a ropeway company), which will further increase sales and also get remunerative prices for their products.

Best out of Waste - Water Hyacinth, Tamil Nadu

The district of Thoothukudi in Tamil Nadu faces the problem of Water Hyacinth which is type of weed found in majority of the water bodies of the district that alters the physical and chemical makeup of the water beneath it by formation of dense mat. It is regarded as one of the most harmful and noxious weeds in the world because it prevents fishing, inhibits hydroelectric turbines, breeds mosquitoes that spread numerous diseases, and is also one of the most dangerous weeds. The challenge was in cleaning up the water bodies while also finding productive uses for the trash and generate income from it. An awareness programme was conducted with the support of District Administration of Thoothukudi and 30 SHG members were selected for 15-day MEDP training on Water Hyacinth Fiber Products sponsored by NABARD and conducted by the Government of Tamil Nadu undertaking namely, Small Industries Product Promotion Organization (SIPPO). The training includes managerial skills, field exposure, practical and theoretical workshops, and soft skills. TNSRLM and Tamil Nadu Rural Transmission Project (TNRTP), Thoothukudi, have provided employment opportunities to all the 30 members of SHG. Additionally, TNSRLM has provided marketing assistance through their retail location in a Thoothukudi business complex. The SHG members were given stores by TNSRLM to sell pooja baskets in three locations: Thiruchendur, Vanathirupathi, and Kulasekarapattinam Temples. With the capacity enhancement, the SHG members intend to take part in all fairs and exhibitions held by different organisations in order to strengthen market ties. The other SHGs will also receive value-added training and design workshops by SIPPO.

First Women Farmers' Producer Company, Maharashtra

Anita Malge is a hardworking woman farmer of Boramani village in Solapur district of Maharashtra and she had formed 10 SHGs of 100 women farmers in her area. She was very well aware of the need to collectively work as a FPO but found it difficult to persuade the SHG members. The SHGs together bought the supplies needed for cooperative farming, and provided free seeds under ATMA programme for demonstration purpose.

Anita formed the first women only producer firm in Maharashtra, "Yashashwini Agro Producer Company," after overcoming initial obstacles. Under the 'Yashashwini' brand, the FPO established its own milling, cleaning, and grading facility. Members' grains and pulses are harvested, refined, and provided directly to clients for sale at retail establishments and malls. The pulses sell for 20 to 30 rupees per kilogram higher than market value since they are unpolished. Vermicelli, papads, spices, and pickles are additional goods that the FPO produces. 800 women who were members of JLGs formed by the Producer Company under the NABARD plan received individual loans of Rs. 50,000 from Vidharbha Konkan Gramin Bank in Solapur. Anita has received many awards & honours and was also lauded for her outstanding efforts by Prime Minister Shri Narendra Modi during 2021-22 when he interacted with farmers through video conferencing.

NABARD formed 5 FPOs in 3 Blocks in the Solapur district and appointed the Producer Company as the Producers Organisation Promoting Institution (POPI). 500 JLGs for agricultural and allied businesses have been established through these 5 FPOs in South Solapur, Pandharpur & Karmala Blocks of Solapur districts.

Conclusion

SHGs have a favourable, statistically significant impact on women's ability to exercise economic, social, and political power. These favourable effects on empowerment can be attained in a number of ways, including through asset ownership, financial decision-making, improved social networks, and familiarity with managing money. A recent evaluation of the DAY-NRLM, carried out through the SHGs, found that both participants and functionaries perceived high impacts of the programme in areas related to women's empowerment, self-esteem enhancement, personality development, and reduced social evils, as well as medium impacts in terms of better education, higher participation in village institutions, and better access to government programs. Due to their access to the last mile, capacity to leverage community trust and solidarity, familiarity with local dynamics, and ability to quickly produce local basic goods and services by pooling members' economic activities, SHGs are well-positioned to support overall rural development. For long-term rural transformation, the rural population's ability to show resiliency and adaptability in the face of disasters, such as during the pandemic they produced masks, local gears, sanitisers, running community kitchens etc., needs to be regularised. Among other things, this entails addressing inter-regional disparity in the advancement of the SHG movement, transforming SHG members into micro-entrepreneurs, developing skill sets that are culturally contextualized for moving up the value chain of goods and services, and including the least privileged people under the SHG umbrella.⁹

⁹ Ministry of Finance, Government of India. (2023). Economic Survey 2022-23. Pages 163-164.