

A Study of Role of Non-Governmental Organization in Women Empowerment in Majhat Panchayat of Distt. Kullu (H.P)

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ABSTRACT

The researcher presents this study with the prevent hope that this will draw the attention of the authorities, departments and organisations concerned with micro finance and SHGs on various in respect of the development of women empowerment. Further SHGs are concerned with the developments of women in all respects long with a sound knowledge about their rights and duties. To make the SHGs really meaningful and successful, the government in different levels have to interfere in large scale not as provider of finance or as provider of other inputs, but as facilitator and promoter. Thus, it is also important to view micro credit programmes as a complement rather than a substitute for effective policies to be able to transform national and international development of women.

KEYWORDS: NGOs, Empowerment, Micro finance and NABARD etc.

I. INTRODUCTION

The concept of self-help groups had its origin in the co-operative philosophy and the co-operators by and large, including the National Federations in the credit sector, could not think of any better SHG than a primary co-operative credit society itself². Today, the self-help group movement is increasingly accepted as an innovation in the field of rural credit in many developing countries including India to help the rural poor considered a vehicle to reach the disadvantaged and marginalized section, which in the normal course cannot avail of credit facility from the bank. A self-help group is defined as a "self-governed, peer controlled information group of people with similar socio-economic background and having a desire to collectively perform common purpose." Self-help group have been able to mobilize small savings either on weekly or monthly basis from persons who were not expected to have any savings. They have been able to effectively recycle the resources generated among the members for meeting the productive and emergent credit needs of members of the group.

The NABARD (National Bank for Agriculture and Rural Development) defines Self Help Groups as "SHGs are small informal group of 10-20 individuals, who are homogenous with respect to social and economic background and come together voluntarily for promoting savings habit among members and for a common cause to raise and manage resources for the benefit of group members. However, in hilly tracts / regions and predominantly tribal dominated areas where communities are dispersed, smaller groups of minimum 5 members are also formed into SHGs. The internal savings mobilised by the group are then lent by it to its members for emergent needs or such other purposes as decided by the group."

II. FINANCIAL EMPOWERMENT POLICY

Financial empowerment is enabling access to or delivery of banking services at an affordable cost to the vast sections of disadvantaged and low income groups. Despite, encouraging policies and having a wide network of rural banking in India, which implemented specific poverty alleviation programmes though Bank credit, a very large number of poorest of the poor continued to remain outside from the field of formal Banking system. Self-help groups programme are intended to reach poor segments of society as they lack access to financial services. Fisher-Sriram (2002) points out that, formal financial sector unsuccessful to recognize the divergence between the hierarchies of credit needs and credit availability³.

III. MICRO FINANCE SELF HELP GROUPS IN INDIA

Micro-finance is a type of banking service that is provided to unemployed or low- income individuals, or groups who otherwise have no other access to financial services. Ultimately, the goal of micro-finance is to give low-income people an opportunity to become self-sufficient by providing a way to save money, borrow money and get insurance. Micro financing provides options to customers with limited resources to promote participation in

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² Tamil Nadu Corporation for Development of Women Ltd. - Credit guidelines for SHGs, Handbook, 2007, p. 5.

³ Fisher and Shriram (2002) Beyond Micro Credit, Vistaar Publications. 2002.

productive activities or to support a small business. While institutions participating in the area of micro-finance are most often associated with lending, some micro-finance companies offer additional services, including bank accounts and insurance.

IV. MICRO-FINANCE AS A STRATEGY FOR WOMEN EMPOWERMENT

Micro-finance has gained a lot of significance and momentum in the last decade. Micro-finance is a noble approach to "Banking with the Poor". In this approach, bank credit is extended successfully to the poor through self-help groups, non-government organizations credit union etc.⁴. For overall growth of the economy it is essential to have advancement of women in all spheres of life⁵.

V. MICROFINANCE LOAN TERMS

Like conventional banking operations, microfinance lenders must charge interest on loans, and they institute specific repayment plans with payments due at regular intervals. Not all applicants qualify, depending on the amount of default risk the institution attributes to potential borrowers and the terms of the loans for which the borrowers are applying.

VI. MICRO FINANCE- TODAY

The World Bank estimates that there are now more than 7,000 microfinance institutions, serving some 16 million poor people in developing countries. CGAP experts estimate that 500 million households benefit from these small loans. Cambodia and Kenya were put forward as examples. Asia and the Pacific region represent 83% of the opened accounts in developing countries, which is equivalent to 17 accounts for 100 persons. In November 1997, more than 2000 delegates from 100 countries gathered at a Micro credit Summit in Washington, DC, with the goal of reaching 100 million of the world's poorest families, with credit for self-employment and other financial and business services by the year 2005. Support for these goals has come from prominent world leaders and major financial institutions⁶.

In 1999 NABARD (National Bank for Agriculture and Rural Development) assigned CORD as the "Mother NGO" for the Self Help Group and allotted errands to help give preparing at all levels to Northern States, for example, Himachal Pradesh, Punjab Haryana and Jammu and Kashmir. String Sidhbari has framed and reinforced 1470 Self- Help Group in 562 towns of District Kangra of Himachal Pradesh which comprise of more than 222000 women individuals from poor and minimized groups of the aggregate SHG reserve funds and bank advance Rupees 23 crores available for use Rs 9450807 had been put by more than 13000 individuals in various types of salary creating exercises through group based business program in non-cultivate and associated rest of the advance has been used in home utilization social speculation like instruction, marriage, foundation building like toilets or house and so on⁷.

VII. METHODOLOGY FOR DATA COLLECTION

The study was carried out in the Majhat Panchayat of Kullu C.D. Block in Kullu District. Majhat Panchayat of Kullu C.D. Block, Dist. Kullu was selected in with the help of random sampling, i.e. lottery method. All the respondents were taken as sample of the study from Majhat Panchayat. Majhat Panchayat had three SHGs containing 10 members in each. These three groups in the above Panchayat forms the universe of the study and all the members of above three groups i.e. 30 were taken as the sample of the study. The information was gathered about the block and about Majhat Panchayat. The researcher himself collected primary data with the help of interview schedule and observation method.

VIII. RESULTS AND DISCUSSIONS

NABARD and NGO's have been basically supply driven and a recent approach in the provision of financial services to the poor and further upgrading their status in the society. In this way, SHGs are important not only to reduce rural poverty, to promote rural savings but also to increase gainful employment. The members of Self Help Groups (SHG) were interviewed to find out the role of SHGs in women empowerment. The study was carried out in one Panchayat, i.e. Majhat Panchayat of Kullu C.D. Block, dist. Kullu. The researcher face to face asked the questions from the respondents and filled all the interview schedules. The

⁴ V Gangadhar and M Yadagiri (2008) "Micro Finance the emerging Horizons" in Management in Government Vol. XXXIX 4 PP 27-28.

⁵ Arundhati Chattopadhyay (2006) "Emerging Women" *Yojana* p. 30.

⁶ <https://www.bankingfinance.in/micro-finance-self-help-groups-india.html> (Accessed on 21-09-20)

⁷ Kumari, S. and Bhulal, V. K. (2018). Self-help group and Women Empowerment through Bank linkage- An impact study of Himachal Pradesh. *International Journal of Trend in Scientific Research and Development (IJTSRD)*. Vol.2(3).p.1049

respondents were interviewed to know the status of SHGs and the economic empowerment of the women. The study shows out of all 30 respondents, 7 (23.33%) respondents had taken loan from their respective SHGs, and the remaining 23 (76.67%) had not taken any loan from the SHG. All the respondents were depositing Rs. 100/ per month as their contribution for saving. The respondents were enquired about the distribution of respondents on the basis of awareness about the scheme that are meant for the SHG by the govt. out of all 30 respondents 27(90%) respondents were aware about the schemes and the remaining (10%) respondent was not aware about the govt. schemes.

The results also show that out of 30 respondents, 4(13.33%) respondent had taken loan outside the SHG and the remaining 26(86.67%) respondents had not taken any loan outside SHG. The data displays that out of 27(90%) respondents knew that the SHG saves the money in the bank and the remaining 3(10%) respondents did not know about the saving of SHG in banks.

The members were also enquired about the satisfaction of the functioning of the SHG or not. Maximum respondents i.e. 28(93.33%) were satisfied and 2(6.67%) were not satisfied by the functioning of SHG.

IX. CONCLUDING REMARKS

The study revealed that out of 30 respondents, only 4 (13.33%) respondents had applied for a loan from bank, whereas the remaining 26 (86.67%) respondents had not applied for any kind of loan in any agency. The women working in their group continue for savings in their SHG on monthly basis. The respondents were actively participating in the SHGs. In the study it was found that 27 (90%) respondents were aware about the schemes meant for the SHGs. Only 7(23.33%) respondents had taken loan from SHG and remaining 23(76.67%) respondents had not taken the loan from group. The group leader was found the main decision maker in the fixing of the interest rate for the loan for borrowers. All the members were found trained about the financial matters meant for smooth running the SHG. The members of the SHGs were not providing any loan facilities for the non-members of the group. If any member not repaying the loan in time the penalties were imposed to her. The power remains with the group leader to fix the repayment schedule for the members. The study shows that all the members were satisfied with the functioning of SHGs. The researcher presents this study with the prevent hope that this will draw the attention of the authorities, departments and organisations concerned with micro finance and SHGs on various in respect of the development of women empowerment. Further SHGs are concerned with the developments of women in all respects long with a sound knowledge about their rights and duties. To make the SHGs really meaningful and successful, the government in different levels have to interfere in large scale not as provider of finance or as provider of other inputs, but as facilitator and promoter. Thus, it is also important to view micro credit programmes as a complement rather than a substitute for effective policies to be able to transform national and international development of women.

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