



WOMEN EMPOWERMENT THROUGH SELF HELP GROUPS: A CASE OF ECONOMIC EMPOWERMENT IN THANJAVUR

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Abstract

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 consists of 12 to 20. The linkages of SHGs of Thanjavur district with banks aims at using the intermediation of SHGs between banks and the rural poor for cutting down the transaction costs for both banks and their rural clients. women's empowerment comes reality through the SHGs in Thanjavur district with eh helps of banks and NGOs. This tendency continues so that it is sure that the economic empowerment of women is a growing phenomena.

Key Words: *Self Help Group, NGO, Women Empowerment.*

Self Help Group: An Introduction

Self – Help Group (SHG) is a small voluntary association of poor people with the age group of 18 to 60, preferably from the same 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 consists of 12 to 20. A self help group consists of 12 to 20 members ,in which one member is called animator who is a head of the self help group and two members are called representatives in the self help group and rest of the members are ordinary members of the self help group.

SHGs and Empowerment of Women

The following are different aspects of women empowerment: Participation of women in democracy (political empowerment); education of girls (Social Empowerment); eradication of gender barriers in employment (economic empowerment); and land rights and legal machinery (legal empowerment). Each aspect of empowerment of women is discussed below:

Economic Empowerment of Women

Economic independence or access to an inherited or self-generated income is considered the major means of empowerment of women. The Equal Remuneration Act, 1976 (India) was a major step towards protective legislation and establishing the principles of equality, as it provides for equal remuneration to men and women workers and prevention of discrimination against women in the matter of employment. (Siddhartha Dash, 2004). According to the New Policy Initiative known as “Vision 2000: Policy for the Advancement of Women in Tamil Nadu,” each and every project and programme in Tamil Nadu was decided to be designed in a manner that will re-define the roles of women and men, such that it will enable them to work as equal partners. (Kiran Chadha, 2008).

Self-Help-Group's main activity is the establishment of savings and credit. Savings encourages people to plan and for future needs. The group members have open discussions and think about various options (Dr.M.Shaque,2001). Such discussions help in strengthening the analytical and problem solving skills of the members. Enterprising attributes are initiative, creativity, flexibility, leadership, independence, problem solving, persuasive, calculated risk-taking, need for achievement, hard work and learning from mistakes.

Profile of the Study Area (Thanjavur District) and SHGs

Thanjavur district has been selected for this study. Thanjavur District is the Rice Bowl of Tamil Nadu. The Big Temple in the city of Thanjavur and the other famous shrines in the district are known all over the world.

The district has 3 municipalities, 14 Panchayat unions, 22 town panchayts and 589 village panchayats. Population as per Census 2001: Men - 10,91,557; Women - 11,13,818; Total - 22,05,375.

There are 3 revenue divisions. The district has 8 taluks. Agriculture is the main activity in the District. Paddy, Sugarcane, Coconut, Plaintain are the major crops in the District.

As the district is agricultural region and now it transforms into industrial zone in the last two decades, demand for capital has increased enormously. It has resulted in emergence of SHGs also. So, Thanjavur district is also an appropriate geographical area for studying the performance of the SHGs. Following table shows the strength of the SHGs in Thanjavur district.

Table 1.1: Details of SHGs in Thanjavur District in 2015-16

S. No	Name of the block	No. of village Panchayath	No. of SHGs	No. of town panchayat	No. of .SHG	Municipalities	No. of SHG	Total
1.	Thanjavur	61	1,993	1	158	1	1252	3,403
2.	Buhalur	42	1,037	1	83	-	-	1,120
3.	Thiruvaiyaru	41	980	2	146			1,126
4.	Orathanadu	58	1,955	1	166			2,121
5.	Thiruvonam	31	659	0	0			659
6.	Kumbakonam	46	841	3	83	1	283	1,207
7.	Thiruvaidaimaruthur	48	782	5	253			1,035
8.	Thiruppanadal	48	782	5	253			892
9.	Papanasam	34	697	2	99			786
10.	Ammappettai	45	863	2	210			1,073
11.	Pattukkottai	43	812	1	102	1	218	1,132
12.	Madukkur	33	596	1	106			702
13.	Peravurani	26	349	1	122			471
14.	Sedubava Chathram	37	586	1	43			629
Total		589	12,916	22	1,697	3	1,753	16,366

Source: Records of the SHGS in Thanjavur district

The above table shows the break up details of the women's SHGs and the number of women in Thanjavur district. Thanjavur is the block that has more number of SHGs (158 out of 1,765).

The Linkage of SHGs with Banks

The linkages of SHGs of Thanjavur district with banks aims at using the intermediation of SHGs between banks and the rural poor for cutting down the transaction costs for both banks and their rural clients. The objective of the linkage programme could be:

- To evolve supplementary credit strategies for meeting the credit needs of the poor by combining the flexibility, sensitivity and responsiveness of the informal credit system with the strength of technical and administrative capabilities and financial resources of the formal financial institutions.
- To build mutual trust and confidence between bankers and the rural poor.
- To encourage banking activity, both on the thrift and credit sides, in a segment of the population that formal financial institutions usually find difficult to reach.
- There could be different models of the linkage between SHG and banks:
- The bank gives direct assistance to the SHG and the SHG promoting institution (SHGI), usually an NGO, provides training and guidance to the SHG and generally keeps a watch to ensure its satisfactory functioning.

There is another way that places the NGO or SHGI as a financial intermediary between the bank and a number of SHGs. The linkage between the bank and the SHGs in this case is indirect. The NGO accepts contractual responsibility for repayment to the bank.

The Financial Scheme

The financial scheme under the Linkage Programme could be based on the following broad principles:

- Savings first, no credit without saving.
- Saving as partial collateral
- Bank loans to the group, for lending to members
- Credit decisions for lending to members by the group
- Interest rates and other terms and conditions for loans to members to be decided by the group
- Joint liability as a substitute for physical collateral
- Ratio between savings and credit contingent upon credit worthiness of the group; increasing with good repayment record.
- Small loans to begin with.

Details of Bank Loan to the SHGs

All commercial banks, cooperative banks and scheduled banks grant loan to the SHGs through the NGOs. The present study takes the two banks i.e., Indian Overseas Bank and Stat Bank of India during the 5 year period (2005-06 to 2009 – 10)

**Table 1.2: Details of Bank Loan granted by the IOB
(all branches of Thanjavur district) to the SHGs**

Year	No. of SHGs	Loan Amt. (in Rs.)	Recovery (in Rs.)	Dues (in Rs.)
2011-2012	126	1,02,497.66	90,199.75	12,297.91
2012-2013	126	78,747.03	62,210.15	16,536.88
2013-2014	109	1,02,794.88	86,347.60	16,447.28
2014-2015	67	72,323.22	62,921.20	9,402.02
2015-2016	37	48,528.85	25,235.00	23,293.85

Source: Bank Records

The loan amount granted by the branches of the IOB in Thanjavur district during the period of 5 years has wider fluctuations. This is due to the government's monetary grant to the development of the SHGs. At the same time, the recovery is not remarkable because of heavy over dues especially 2014-15.

**Table 1.3: Details of Bank Loan Granted by the SBI
(all branches of Thanjavur district)to the SHGs**

Year	No. of SHGs	Loan Amt. (in Rs.)	Recovery (in Rs.)	Dues (in Rs.)
2011-2012	138	1,60,90,658.00	69,02,163	91,88,495.00
2012-2013	122	1,44,92,392.00	56,18,787	88,73,605.00
2013-2014	158	2,30,77,500.00	99,94,828	1,30,82,672.00
2014-2015	248	2,18,05,595.00	1,07,92,502	110,13,093.00
2015-2016	272	4,99,09,155.00	1,71,83,527	3,27,25,628.00

Source: Bank Records

The State Bank of India has made its commendable role in granting the loans to the SHGs. While comparing with the Indian Overseas Bank, the SBI has achieved its performance in terms of loan disbursement and recovery.

Role of NGOs in Development of Women Self Help Groups in Thanjavur District

The Non – Government Organizations are called NGOs , which are promoting women self help groups by supporting the financial assistance of NABARD, Banks and state government. In the micro-finance programmes sponsored by the government, promotional agencies of NABARD and external funding agencies, NGOs are preferred organisations to implement the programme to number of women SHGs. The micro-finance groups formed by them had the potential to adopt the strategy of micro-finance as an instrument of poverty alleviation and empowerment. NGOs have popularised the concept of micro-finance in India. Of the estimated number of 30,000 NGOs in India, most have introduced micro-finance as one of the activities in their overall programme aimed at an improvement in life style of women by economically, socially and politically (V.Shanmuga sundaram, 2010). Most of the SHG's are being promoted with facilitation of NGO's and other formal agencies. The field survey also reveals that more than half of the SHG's were promoted by NGO's. As per Tamilnadu government order in Rural development dated 05.09.2007, 437 NGOs are registered.

Conclusion

RBI and NABARD have tried to promote 'relationship banking' i.e. improving the existing relationship between the poor and bankers with the social intermediation by NGOs. The Indian model is predominantly "linkage model", which draws upon the strengths of various partners - NGOs (who are the best in mobilizing and capacity building of poor) and bankers (whose Strength is financing). Thus a nutshell, the SHG Linkage programme offers a win-win situation for the credit delivery system comprising banks of all types.

There are a multitude of Non-Governmental Organizations who can be virtually found in all villages and blocks of India. Most of these NGOs have similar origin in that they started off as social service and welfare organization with a focus on helping the poor and needy in times of disaster, famine or epidemic.(V.Shanmuga Sundaram,2010)The emphasis, therefore,



was mainly on social and welfare activities like housing, health, education, safe drinking water, sanitation, etc. However, with the growing popularity of micro credit in India, these NGOs have also taken up micro credit activity as a part of their overall service strategy. While some have adopted micro credit as their core activity, a large number of such institutions, have adopted multiple operations with a limited investment in micro credit.

Thus, women's empowerment comes reality through the SHGs in Thanjavur district with eh helps of banks and NGOs. This tendency continues so that it is sure that the economic empowerment of women is a growing phenomena.

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