

Role of Self - Help Groups in Rural Development

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Introduction

India is a country who faces the problems of poverty ,unemployment . Just because of in rural area there is no job opportunities and they are depend upon agriculture and agricultural practices they have low socio- economic conditions. The 1990s evaluation report of Integrated Rural Development Programme (IRDP) a major program for creating self-employment program called Swaranjayanti Gram Swarozgar Yojna(SGSY) was announced by Government of India. This program was based on group approach rural development where the rural poor people were organised into self-help groups. The objective to bring the poor families above the poverty line by insuring significant increase in income over the period of time,is to be achieved over a process of social mobilization, skill development training program based on local requirment and capacity building along with the provisions of income generating assets over a mix of bank credit and government subsidy. A self- help group is a small volunteer association of poor people who have the same socio-economic conditions.They are more than 10 members and less than 20 members in one group. In the group there may be all women,or all men or even a mixed group. SHG is now well-known concept. It is now almost two decades old. The self-help group promotes small savings among the members. The savings are keeping in bank.

Definition of SHGs:

According to NABARD, self- help group means twenty or less people from a homogeneous class who are willing to come together for talking their common problem. They make regular savings and use the joint savings to give low interest borrowing loans to their members

Functions

- 1.It encourages saving habits among the members.
- 2.To build self- confidence.
- 3.To provide credit facilities in the hour of needs.
- 4.To organize training facilities, creat team work.
- 5.To develop leadership qualities.

Empowerment through SHGs:

A self- help group (SHGs) is the major instrument to change the poor conditions of rural women socially,economically,politically and psychologically.It means overall development of rural women which is very helpful to develop self confidence.

Economic Employment:

SHGs is the main aim to improve the economic conditions of rural people.The self-help groups provide economic benifits to the rural people by providing income generating activities. Economic independence facilities in bringing about sexual equality and increase in women's income.

Political Employment:

SHGs are the beginnings of major process of political empowering women where members perform their transactional activities. Political empowerment reflects the participation in Village Panchayats,Panchayat Samities, and also Zila Parishads too. 73rd amendment act,33% reservation of women is reserved to Panchayats. As result it is found that women enters in politics .SHGs helps to women to enable her to develop their communication skills,so she can properly convey her issues in public meetings.

Psychological Employment:

Usually rural people are very shy.But when they become the part of SHGs they are aware of their rights.SHG s great confidence among the members and encourage them to face the critical

situation. It enables the members to interact with the people with confidence and express their opinion freely. On the whole, it may be concluded that SHGs movement has achieved a grand success in bringing out many positive and rapid changes in rural areas in terms of socio- economic and political - cultural aspects.

SHGs and Rural Development:

To improve the standard of living rural people, SHGs play a crucial role in self - employment by rising the level of income and standard of living in rural people. It provides a great opportunities by giving necessary training which enables them to contribute towards their community development. Various micro- enterprises like papad manufacturer ,pickle manufacturer and food processing, agarbatti making, spices production,dairy farming,plate making etc. helps rural people to make products according to local demand, which proves beneficial for the rural people who make their contribution in the socio-economic development.

In order to change the face of socio-economic scenario,micro enterprises and SHGs are playing significant role in the self employment by rising the level of income and standard of living rural people. Micro finance to the rural Self -Help Group is a way income increases and better standards living in rural women. The Self- Help Groups have exposed that economic independence of rural women. The members look to transfer the finance from money lenders, friends to Self-Help Group loans to meet these expenditures. Rise self-confidence and self-respect SHGs movement is theoretical to build economic self - reliance of rural poor,creat confidence.

Need and importance of a Self Help Group

Self Help Groups are necessary to overcome exploitation,create confidence for economic self reliance of rural people, particularly among women who are mostly invisible in the social structure. These groups enable them to come together for common objective and to deal with exploitation,which they are facing in several forms. Groups become the basis for action and challenge. It also helps buildings of relationship for mutual trust between the promoting organization and the rural poor through constant contact and genuine efforts.

Self Help Groups play an important role in differentiating between consumer credit and production credit, analysing the credit system for its implications and changes in economy, culture and Social position of the target groups, providing easy access to credit and facilitating group or organization for effective control, ensuring repayment and continuity through group dynamics; setting visible norms for interest rates, repayment schedules gestation period, extension, writing of bad debts;and assisting group members in getting access to the formal credit institutions. Thus self help group disburses micro-credit to the rural women for the purpose of making them enterprising women and encourage them to enter into entrepreneurial activities. Credit needs of the rural and urban beneficiaries in the democratic, economic, social and cultural spheres of life. The SHGs inculcate a great confidence in the minds of rural women to success in their day to day

Conclusion

SHGs is an informal group where rural people come together and work as a team which build a team spirit in them,it empowers women by socially and economically.SHGs creat awerness and enforce them to make fruitful contribution to the growth and development in rural areas. It is an effective strategy which brings evaluation for the rural women. It leads them to implement the government launched programs like poverty alleviation, Swarna jayanti Gram Swarozgar Yojna etc. Poverty arises due to unemployment and the government attempted to resolve such issues, but the benefits did not successfully reach the rural poor people,the reason behind it that most areas had been neglected due to the government cannot establish a direct link with the rural poor people. To eradicate this issues SHGs make an effective approach to establish a direct link with the poor people. It reaches to block to block and influence then to join the group. Microfinance and SHGs are not just needed to resolve the issue of poverty but also for the individual development. This is one of the way which brings the most neglected poor people in rural areas. It is a movement that has been achieved a grand success by bringing women into all economic activities which gives benefits not only individually

but also family and community as a whole through collective action for the rural development.

Reference

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