CHAPTER –2

SELF HELP GROUPS IN INDIA

Women play a robust part in Indian economy which constitutes one–third of the national labour force. According to the National Statistics definition, ‘Women’ contribute a lot to the survival of the family although they are considered as ‘marginal workers’. The poorer the family, the greater is its dependence on women’s income. Indian women contribute a much larger share of their earnings to basic family maintenance then in comparison to men. Women’s earnings have direct positive effect on the incidence and harsh poverty as it increases into better health and nutrition particularly for children. Despite this, social conventions and gender ideology deprive women from the resources which would enable them to increase their economic and social status. More than 90 percent of rural women are unskilled, restraining them to low paid occupations. Generally, women have no constrain over land and other productive assets, which largely excludes them from access to institutional credit and impart them depending on high cost informal sources of credit to secure capital for self-employment activities.

Women are the back bone of the agriculture, composing the majority of agricultural laborers. About 70-80 percent of entire field work is done by women and almost post-harvest and processing tasks are their sole responsibility. Women are involved severely in animal husbandry, particularly small livestock. They account for 85 percent in daily production also. Gender divisions in agriculture are blunt with all activities involving manual labour assigned to women, whilst all operations involving machinery and draught animals are generally performed by men. Female agricultural labourers are the poorest sections of Indian society and their wages are on average 30-50 percent less compared to men.
Gender discrimination, the attribution of traditional roles to men and women, and gender violence continue to be existing problems. Within this broad cadre, the situation of women varies significantly across regions according to the socio-economic status of the household and its position in the caste hierarchy. Socio-cultural values are more awfully biased against women in the north than in the south; among caste, Hindus than amongst scheduled tribes or scheduled castes: and among land-owning cultivators than among land less laborers and marginal farming families.

Indian policies for women’s development have evolved in emphasis, from an initial welfare oriented approach to the existing focus on economic development and empowerment since independence. Significant changes occurred in the mid-1980s with the Seventh Five Year Plan which is functional in the concern for women’s equality and empowerment, and focused on inculcating confidence among women, generating awareness of their rights and privileges, training them for economic activity and employment, and bringing them into the mainstream of national development. New structures were created to survey the development of women with the establishment of the Department of Women and Child Development (DWCD) within the Ministry of Human Resource Development of the Government of India. Women’s Development Corporations (WDC) were set-up in most states to implement the new strategy of economic development for women through facilitating access to training, entrepreneurship development, credit, technical consultancy services and marketing facilities.

The National Bank for Agriculture and Rural Development (NABARD) has undertaken development works to enrich the access of neglected communities to institutional credit. One of the most successful and innovative experiments has been the linking of SHG’s with banks to provide the rural poor access to the banking system. A pilot project was started in 1992 after the Reserve Bank of India (RBI) allowed banks to finance informal and unregistered
groups without collateral and gave privileges to such groups to decide their own terms and conditions for financial transactions. This effort was highly successful which covered around 5,000 groups against the actual target of 500 by which 80 percent of the groups were formed by women. The repayment performance of the groups has been more than 95 percent.

Encouraged by the success of the programme, RBI has made financing of SHGs by banks as a part of their mainstream lending operations. NABARD continues to support this approach and has accelerated valuable experience in understanding and propagating the concept of SHGs financing by banks. It has conducted various training programmes, seminars, workshops and review meetings, and published literature for the benefit of banks, NGOs and women beneficiaries.

The main technical departments which cover women’s work are: agriculture, animal husbandry, horticulture, sericulture, rural development, industries, the Khadi and village industries Board as well as Commission. Although, women form an equal part of their clientele, these departments have generally not been effective in providing technical support services to them. Various schemes focus on women have been invented to improve the situation such as the training of women in agriculture, but their outrun is limited and there is widespread emphasis to sensitize the departments staff to the importance and potential of serving women. Women are also inadequately served by social sector departments such as Health and Family Welfare, Education etc.

**Efforts Made for Economic Empowerment in India before Independence:**

From time immemorial, the women of this land are treated as a sort of thing. Her position in the society was not at par with other human being. She has no rights to move nor do anything at her will. In Hindu Shastras, women have been branded as just like animals. From the verses of Ramayana as written by saint Tulsidas, “Dhol, ganwar, shudra, pashu, narri-Ye sab tadan ke adhikari,”
One may easily draw inferences as to what status as been granted to our mothers. Similarly, we can understand that Droupadi of Mahabharata was reducing to status of a bitch, as she was having five husbands. She was not only wife of five husbands but was put at stake in gambling by none other than the so called Dharmaraj Yudhishtar. In ‘Manusmruthi’ the ancient Hindu Code-book, the status granted to women is quite visible and she was put to the lowest rung of humanity as she was treated at par with the animals and slave by the proprietors of Hindu Dharma. Such was the placement earmarked to our mothers, sisters and even great grandmothers that lead the heads of humanity bend down with shame.

That is why Dr. B.R. Ambedkar was of the firm opinion that until or unless, by applying dynamite, the Hindu Dharama-shastras are not blown up, nothing is going to happen. In the name of Samskaras, the Hindu women are tied up with the bondage of superstitions, which they carry till their death. Women are also responsible for inculcating these wrong notions learnt by them through baseless traditions and preaching these in budding minds of their offspring. Otherwise, Women in India have remained a matter of joy and source of amusement as such she was used and misused by men just to serve their evil ends. She has been used just like a machine for procreation. This has been mentioned in Hindu Shastras that the Women is the bonded slave of her father when she is young, to her husband when she is middle age and to her son, when she is a mother. Of course, all the epigrams, aphorisms, proverbs, platitudes and truisms bear necked truth about the status of Women in India.

It does not mean that no attempt has been made in the past to bring dignity to women. As in Europe, Christianity inaugurated the era of equality, liberty and fraternity by preaching that a prince and pauper are equivalent in the eyes of god. There is very tedious tradition of social reforms by our saints as well as social reformers. But the proprietors of the orthodoxy obstructed these efforts. In the absence of any legal sanction are authority, these efforts could not nourish.
In this path, Dr. B.R. Ambedakar has tried to break-down barriers in the way of advancement of women in India. He laid down the foundation of concrete and sincere efforts by codifying the common civil code for the Hindus of Indian society. Prior to these efforts of Dr. B.R. Ambedakar, the destiny of the Indian women depended upon the wrong notions and perceptions chalked out by the proprietors of the orthodoxy.

The prevailing two schools of Hindu Law viz.‘Mitakshara’ and ‘Dayabhag’, created and sustained in equality. According to ‘Mitakshara’, the property of a Hindu person is not his individual property. It belongs to what is called coparcenary, which consists of father, son, grandsons and great grandsons by reason of birth. The property passed under Mitakshara by survivorship to members of coparcenary who remain behind and does not pass to the heirs of the deceased. Whereas Dayabhag recognized the property held by heir as his personal property with an absolute right to dispose it either by gift or by will or any other manner that he prefers. The chaotic conditions of the Hindu law were reduced in the form of judicial pronouncement and codification was the legislative recognition of the judge who made law. Dr.B.R. Amebedkar himself had explained lucidly the reasons for consolidation and codification. Article 25 of the Indian constitution permits all the freedom. The reforms introduced by Dr. B.R. Ambedkar through “Hindu Code bill” have been adhered to and accepted by large. He restored dignity to women by codifying Hindu law in respect of marriage, divorce and succession. Prior to the Hindu Succession Act, 1956 and Hindu Marriage Act, 1955, the Hindu law was unmodified in a large step, though Hindu women’s Right to Property Act, 1937 was the subject of legislative intervention. The Sharada Act is also worth mentioning which set the seal of authority upon that aspect of social reforms, which the heads of orthodoxy were, imposing and impending.
**After Independence:**

The status of women in India has been enduring a transformation. Women participated actively in all walks of life including education, politics, sports, etc. due to support given by our constitution which guarantees to ensure dignity and equal opportunities. Considering the women’s role in the nation-building activities, the Government had declared 2001 as year of Women’s Empowerment by adapting a national policy which offers ‘Swashakti’ to women. Various laws have been taken up to empower women socially, economically, legally and politically. Considering the role of rural India i.e. the country’s backbone, the government had taken several regulations to strengthen Panchayat Raj system with the active participation of women. This has given a boost to increase the number of women being elected to the Lok Sabha and state assembles, hinting their political empowerment.

**Economic Empowerment of Women**

**Income generation and increased flow of capital in the hands of women:**

A major initiative that is needed for modifying situation for women is to increase the flow of capital in the hands of women. More the women get financially empowered and generate income, the more is chance of overall development and progress. This is due to the fact that women use a major pile of their income for providing their family a better health care, education and nutrition. Moreover, steady income in hand makes women more confident to take economic and other decisions related to family. We have seen that when women start earning, they adopt environmental friendly life style as well as they tend to have lower fertility rates leading to fewer children. Generally, it has been seen that more the women are economically and financially sound, more they become capable of taking informed choices about their life. Stable income and financial independence leads to improvement and progress in women’s life through various aspects like contraception, age of marriage, fertility, child mortality and modern sector employment. Therefore, economic empowerment of women
leading to steady income generation and financial independence will definitely help women to take decisions and select the best among choices in their personal and professional.

**Resistance to Economic Empowerment of Women:**

We face great resistance from the present structures of the society at every level when we acknowledge the fact about the economic empowerment of women and enhancing the financial independence. The resistance comes in various forms and it is rooted in the society as gender bias and gender discrimination. There are many frightful aspects of it around the world and many of them are in the form of open physical and psychological abuse. One of the most common forms of abuse is violence against women. This violence is entirely seen in every part of world and major types of violence are in the form of domestic violence and rape. Apart from violence, there is great gender discrimination and bias in the form of substandard and pathetic living conditions that is forced upon women.

There are millions of women around the world who don’t have even their basic needs in terms of food and nutrition, health and education. Further in many countries there are dreadful practices that are taking place and which can be equated to genocide resulting to crime against humanity female feticide falls in this category. Other evils like trafficking of young women and girl child, early marriage and dowry system play a major role in pulling down women to a life of infinite misery and suffering. In these conditions, how can we think about economic empowerment of women? On top of it, we can see a clear bias against women in the decision making power structures of the society which is indurate to the cause of 50 percent of human population and which is in fact poorly represented by women in the first place. Fighting all these odds, even if women think about generating income on their own with the help of an economic enterprise, then, they face the obstacle of capital and other resources. In total, women are in a highly disadvantageous and marginalized position. The tragedy
is that this situation prevails even when studies show that once women are economically empowered, they become the substantial assets of their family, the society, the nation and the world in terms of their savings and their efforts towards the overall development of the family, the society as well as the nation. This is authentic when women start earning; she channels back a major chunk of her earning in to the family for better health, education and nutrition. This has tremendous impact on the growth and development of the next generation who are the future seed of human evolution.

**Swarnajayanthi Gram Swaozgar Yojana (SGSY)**

The SGSY scheme was launched by the Government of India to provide sustainable income to the poor people living in the rural areas of the country. The scheme was launched on April 1, 1999. The scheme is designed to promote self-employment oriented income generating activities for the BPL households in the rural areas. Special safeguards have been provided for sensitive sections by way of reserving 50 percent benefits to Scheduled Castes and Scheduled Tribes, 40 percent for women, and 15 percent for minorities’ and 3 percent for disabled persons. Since its launch about 37 lakh SHGs have been formed and 134 lakh swarogaris assisted, out of which approximately 70 lakh (52 percent) are women. The Rashtriya Mahila Kosh (RMK) scheme extends micro-credit support for income generation to poor women grouped into SHGs in unorganized sector.

**National Policy for the Empowerment of Women -2001**

The principle of gender equality is enshrined in the Indian Constitution in its Preamble, Fundamental Rights, Fundamental Duties and Directive Principles of state policy. The constitution not only guarantees equality to women, but also empowers the state to adopt measures of positive discrimination in favour of women. Since the Fifth Five year plan (1974-78), India has been making a striking shift in its approach to women’s issues from welfare to development while keeping the empowerment of women as the central issue in determining their status society. The national commission for women was set up by an Act of
parliament in 1990 to safeguard the rights and legal entitlements of women. The 73rd and 74th Amendments to constitution in 1993 have provided for reservation of seats in local bodies of Panchayats and Municipalities for women, laying a strong basis for their participation in decision-making at the local levels. India has also approved various international conventions and human rights committing to secure equal rights of women. Priority among them is the ratification of the Convention on Elimination of All Forms of Discrimination against Women (CEDAW) in 1993.

Goals and Objectives

The goals of the National Policy-2001 are to catalyze the advancement, development and empowerment of women. The objectives include creating an environment through positive economic and social policies for development of women which enables them to realize their full potential, access to health care, quality education, employment, equal remuneration and social security. It also includes elimination of discrimination in all forms of violence against women and the girl child and modifying societal attitudes.

National Mission for Empowerment of Women:

The Government has set up a National Mission for Empowerment of Women early the year 2010 and the same has been notified on 8th of March, 2010. The Mission aims at implementing the women-centric programmes in a obsolete mode to achieve better coordination. The Ministry of Women and Child Development is administering the support to training and Employment Programme of Women (STEP) scheme with a view to help asset less and marginalized women become economically self-reliant. The scheme also aims at providing training for skill up gradation, development of entrepreneurial skills, asset creation, and mobilization into small feasible groups to enable beneficiaries to take up employment-cum-income generation activities. The Ministry has also launched the “Priyadarshini” scheme to empower assailable groups of women in a holistic and sustainable manner by addressing their social, political, legal,
health related and economic problems through robust capacity building by organizing them into Self Help Groups (SHGs).

**India Vision-2020:**

India Vision 2020 document, while discussing about women in the labour force has, inter alia, mentioned that secure child care support services are mandatory for working women. The 11th Five Year Plan document of the Planning Commission incorporated various schemes and programmes for women and child development. It also Cities about the setting up of daycare centers in unorganized sector and restructuring and revamping of the existing Rajiv Gandhi National Crèche Scheme for the children of the working mothers.

**Help Lines for Women:**

As per 2001 Census, there are 34.3 million widows and 2.34 million divorced and separated women in the country. The Ministry of Women and Child Development is implementing shelter based schemes namely “Swadar” and “Short Stay Homes” under beneath monetary assistance is furnished to the implementing agencies for providing support services to women in difficult eventually. Under the artifice of the Integrated Programme for Older persons implemented by the Ministry of Social Justice and Empowerment, financial assistance is provided to NGOs for regulating and maintenance of Multi Facility Care Centre for older widowed women. The Ministry of Rural Development is implementing Indira Gandhi National Widow Pension Scheme (IGNWPS) and Indira Gandhi National Old Age Pension Scheme (IGNOAPS), under which central assistance is given towards a monthly pension of Rs.200 to widows below the poverty line in the age group of 40 to 60.

**Women’s Leadership Summit 2010:**

The Ministry has organized a Women’s Leadership Summit in New Delhi on 6th March, 2010 as a part of the celebrations for the International Women’s
Day. The objective of the Summit inaugurated by the Prime Minister Dr. Manmohan Singh was to exhibit the empowered women, those who had outshined in different fields. The central theme of the Summit was Inclusive Growth and Empowering Women of Rural India. Several women achievers spoke on challenges and opportunities for women in distinct fields such as corporate sector, financial services, agriculture, science, media, panchayati raj, sports, culture, education and law. As a part of the 100 day Action Plan, the government had proposed several measures to increase the representation of women. It has also proposed Constitutional amendment to provide 50 percent reservation for women in Panchayat as well as in urban local bodies and to increase the representation of women in government jobs.

**India’s Tirade against Anti-Woman Activities:**

The Government of India has been adopting several rigorous measures to uphold the status of women in India by launching a tirade against injustices terminated to them. They include protection against domestic violence, stopping crime against child and women, human trafficking, sexual harassment at workplace, barring beggary among women and street children, child marriages, harassment in dowry related matters, malnutrition among women and children, providing relief and rehabilitation to rape victims. The Centre has allocated Rs. 11,000 crore to the Ministry of Women and Child Development for the year 2010-11, an increase of around 5 percent over last year’s budget Estimates of Rs. 7,350 crores. (PIB Feature)

**Rights and Privileges of Women in India**

1. **Constitutional Provisions**

The Constitution of India not only grants equality to women but also empowers the State to adopt positive measures in favour of women for neutralizing the cumulative socio-economic, education and political disadvantages faced by them. Fundamental Rights, among others, ensures
equality before the law, equal protection of law, prohibits discrimination against any citizen on grounds of religion, caste, sex or place of birth, and guarantees equality of opportunity to all citizens in matters relating to employment. Articles 14, 15, 15(3), 16, 39(a), 39(b), 39(c) and 42 of the Constitution are of specific importance in this regard.

**Constitutional Privileges**

(i) Equality before law for women (Article 14)

(ii) The States not to discriminate against any citizen on grounds only of religion, race, caste sex, place of birth or any of them (Article 15 (i))

(iii) The State to make any special provision in favour of women and children (Article 15 (3))

(iv) The State to direct its policy towards securing for men and women equally the right to an sufficient means of livelihood (Article 39 (a)); and equal pay for equal work for both men and women (Article 39 (d))

(v) The State to make provision for securing rightful and humane conditions of work or maternity relief (Article 42)

(vi) The State to raise the level of nutrition and the standard of living of its people and the improvement of public health (Article 47)

(vii) To promote harmony and the spirit of common brotherhood amongst all the people of India and to renounce practices derogatory to the dignity of women (Article 51 (A)(e))

(viii) Not less than one-third (including the number of seats reserved for women belonging to the Scheduled Castes and the Scheduled Tribes) of the number of seats to be filled by direct election in every Panchayat to be reserved for women and such seats to be allotted by rotation to different constituencies in a Panchayat (Article 243D (3))

(ix) Not less than one-third of the total number of offices of Chairpersons in the Panchayat has to be reserved for women (Article 243D (4))

(x) Not less than one-third (including the number of seats reserved for women belonging to the scheduled castes and the Scheduled Tribes) of the total number
of seats to be filled by direct election in every Municipality to be reserved for women and such seats to be allotted by rotation to different constituencies in a Municipality {Article 243T (3)}

(xi) Reservation of Chairpersons in Municipality offices for the Scheduled Castes, the Scheduled Tribes and women in such manner as the legislature of a State may by law provides {Article 243T(4)}

2. Legislative Provisions

Legal Rights

To elevate the Constitutional accreditation, the State has specified various legislative measures intended to ensure equal rights, to combat social discrimination and various forms of violence and atrocities and to provide support services especially to working women. Although, women may be the victim of any of the crimes such as murder, robbery, cheating etc. The crimes, which are directed specifically against women, are characterized as ‘Crime against Women’. These are broadly classified under two categories:

(1) The Crimes Identified Under the Indian Penal Code (IPC)

(i) Rape (See. 376 IPC)
(ii) Kidnapping & Abduction for different purposes (See. 363-373)
(iii) Homicide for Dowry. Dowry Deaths or their attempts (See. 302l304-B IPC)
(iv) Torture, both mental and physical (Sec. 498-A IPC)
(v) Molestation (See. 3541 PC)
(vi) Sexual Harassment (See. 509 IPC)

(2) The Crimes identified under the Special Laws (SLL)

Although, all laws are not gender specific, the provisions of law affecting women eloquently have been reviewed periodically and amendments carried out to keep pace with the emerging requirements. Acts which provide special provisions to safeguard women and their interests are:
(i) The Employees state Insurance Act, 1948
(ii) The Plantation Labour Act, 1951
(iii) The Family Courts Act. 1954
(iv) The Special Marriage Act, 1954
(v) The Hindu Marriage Act, 1955
(vi) The Hindu Succession Act, 1956
(vii) Immoral Traffic (Prevention) Act, 1956
(ix) Dowry Prohibition Act, 1961
(x) The Medical Termination of Pregnancy Act” 1971
(xi) The Contract Labour (Regulation and Abolition) Act, 1976
(xii) The Equal Remuneration Act, 1976
(xiii) The Child Marriage Restraint (Amendment) Act, 1979
(xiv) The Criminal Law (Amendment) Act, 1983
(xv) The Factories (Amendment) Act, 1986
(xvi) Indecent Representation of Women (Prohibition) Act, 1986
(xvii) Commission of Sati (Prevention) Act, 1987

3. Special Initiatives for Women

(i) National Commission for Women

In January 1992, the Government set-up this statutory body with a specific mandate to study and keep track of all matters relating to the constitutional and legal safeguards provided for women, retrospect the existing legislation to suggest amendments wherever necessary etc.

(ii) Reservation for Women in Local Self-Government

The 73rd Constitutional Amendment Act passed in 1992 by Parliament ensure one-third of the total seats for women in all elected offices in local bodies whether in rural areas or urban areas.


The plan of action is to ensure survival, protection and development of the girl child with the ultimate objective of edifying a better future for the girl child.
The Department of Women and Child Development in the Ministry of Human Resource Development has prepared a “National Policy for the Empowerment of Women” in the year 2001 and its goal is to bring about the advancement, development and empowerment of women.

**Schemes Related to Women Empowerment in India**

**Economic Empowerment**—to ensure provision of training, employment and income-generation activities with both ‘forward’ and ‘backward’ linkages with the ultimate objective of making all potential women economically independent and self-reliant through:

- Organizing women into Self-Help Groups under various poverty alleviation programmes, viz. Swarnajayanti Gram Swarozgar Yojana (SGSY), Swarnajayanti Shahari Rozgor Yojana (SJSRY) Rashtriya Mahila Kosh (RMK) support for Training and Employment Programme (STEP), Training-cum-production centers for Women (NORAD) etc. and offering them a range of economic options along with necessary support measures to enhance their capabilities and earning capacities with an ultimate objective of making them economically independent and self-reliant.

- Ensuring that women in the informal sector who account for more than 90 per cent are given special attention with regard to improving their working conditions which continued to be precarious without minimum or equal wages or other legislative safeguards.

- Making concerted efforts to ensure that the benefits of training and extension in agriculture and its allied activities of horticulture, small animal husbandry, poultry, fisheries, etc. reach women in proportion to their numbers; and also issue of joint ‘Pattas’ for husband and wife under the Social Forestry and Joint Forest Management Programmes.

---

7 Mospi.nic.in/...women.../Rights.doc
• Ensuring that the employers fulfill their legal obligations towards their women workers in extending child care facilities, maternity benefits, special leave, protection from occupational hazards, allowing formation of women workers’ associations/ unions, legal protection/ aid etc.

• Re-training/ upgrading the skills of women displaced from traditional sectors due to advancement of technology so that they can take up jobs in the new and expanding areas of employment and formulating appropriate polices and programmes to promote alternative opportunities for wage/self-employment in traditional sectors like khadi and village industries, handicrafts, handlooms, sericulture, small scale and cottage industries

• Initiating affirmative action to ensure at least 30 percent of reservation for women in services in the public sector where their representation in 1999 was only 14.5 percent. Along with required provisions for upward mobility

• Increasing access to credit for women either through the establishment of new micro-credit mechanisms or micro- financial institutions catering to women or strengthening existing arrangements in these areas along with an expansion of the limited coverage of Rashtriya Mahila Kosh (RMK).

There are various schemes related to women empowerment in India. They are:

1. Swashakti Project
2. Swayamsiddha formation of SHGs
3. Swawalamban Programme
4. Support to Training and Employment Programme (STEP)
5. Construction of working women Hostels

1. Swashakti Project:

This project was jointly funded by International Fund for Agriculture Development (IFAD), World Bank and the Government of India launched this project in October, 1999 and culminated on 30th June, 2005. The objective of this
programme was to bring out socio-economic development and empowerment of women through promotion of women SHGs, micro credit and income generating activities. The project was conceived as a Pilot Project implemented in 335 blocks of 57 districts in 9 States. The project established 17,647 SHGs covering 2,44,000 women and it was a centrally sponsored.

2. Swayamsiddha formation of SHGs:

This is an integrated scheme for women empowerment through formation of Self Help Groups (SHGs) launched in February, 2001. The long term objective of the programme is holistic empowerment of women through a sustained process of mobilization and convergence of the entire ongoing sectoral programme by improving onset of women to micro-credit, economic resources, etc. This is a centrally sponsored scheme. The scheme has been able to provide a forum for women empowerment, collective reflection and united action. The scheme got culminated in March, 2007. The programme is implemented in 650 blocks of the country. 67,971 women SHGs have been formed benefiting 9,89,485 beneficiaries. The scheme comes to an end in March, 2007. It is proposed to take up Swayamsiddha with a wider scope during 11th Plan. It is also proposed to implement and livelihood project in four districts of Uttar Pradesh and Two districts of Bihar with assistance from IFAD. The schemes of Swayamsidha and Swashakti would be merged as Swayamsiddha, Phase-II in the 11th Plan. The Midterm Appraisal Report of the 10th Plan has also recommended merger of these two schemes as these have similar objectives. The next phase would be a countrywide programme with larger coverage in States lagging behind on women development indices. Convergence is the basic concept in Swayamsiddha. The lessons learnt is Swayamsiddha and Swashakti would be embodied in the universalized Swayamsiddha giving an incorporated training inputs relating to social and economic empowerment, including skill development and training in traditional and nontraditional sectors. The estimated requirement during the 11th Plan period for both phase-II of Swayamsiddha as well as the IFAD project is Rs.3000 crore.
3. Swawalamban Programme:

Swawalamban Programme, previously known as NORAD/Women’s Economic Programme, was launched in 1982-83 with assistance from Norwegian Agency for Development Corporation (NORAD). NORAD assistance was availed till 1996-97 after which the programme is operated with the funds received from the Government of India. The objective of the programme is to provide training and skills to women to facilitate them to attain employment or self-employment on sustained basis. The target groups under the scheme are poor and needy women, women from weaker sections of the society such as Scheduled Castes and Scheduled Tribes etc. In order to ensure more effective implementation and for better evaluation of the scheme, it has been transferred to the State governments from 1st April, 2006 with the approval of Planning Commission.

4. Support to Training and Employment Programme (STEP)

This programme aims to provide skills and new knowledge to poor and asset less women in the traditional sectors. Under this project, women beneficiaries are organized into viable and cohesive groups or cooperatives. A comprehensive package of services such as health care, elementary education, daycare facility, market linkages etc. are provided besides access to credit. Skill development is provided in ten traditional skills amongst women. This is a Central Scheme launched in 1987. The programme is evaluated, based on the results of the evaluation; the scheme is proposed to be revised. Further, the possibilities of providing training and skill to women both in traditional and nontraditional sectors and integrating Rashtriya Mahila Kosh for credit linkages are being considered.

5. Construction of working Women’s Hostels

This is a central scheme by which financial assistance is provided to NGOs, Cooperatives and other agencies for construction of buildings for
working Women hostels with daycare centre for children to provide them safe and affordable accommodation.

**Growth of Microfinance and Micro Credit in India**

During the 1960s and 1970s the key issue in agriculture and rural development was agricultural production. Apart from improved seeds and seedlings, fertilizer, pesticides, tools and machines agricultural credit was an input for improved agricultural production. The target groups were farmers and the issue was how to disburse agricultural credit to farmers. The funds were provided by governments and donors where disbursement mattered, not repayment. The main disbursement channels were agricultural development banks and projects. Agricultural credit was a service, not a business. The strategy had much to show: the green revolution, driven by technology, financed on credit, with subsidized interest rates. The produce was purchased by government at guaranteed prices. So green revolution succeeded thereby ignoring the business of the financial services. But when farmers didn’t repay their loans, the banks didn’t cover their costs and the governments ran out of money to finance the subsidies, the banking business finally failed, and so did the service. Meanwhile, with the rapidly growing population, increasing numbers of rural people could not live on agriculture alone. To survive they had to engage in numerous activities such as on-farm, off-farm and non-farm activities. Rural households and rural economies got increasingly diversified.

Access to finance was the limiting factor. Agricultural credit had been exclusive. It excluded all those who didn’t own and cultivate the land. In addition to this, labourers, small and micro-entrepreneurs, traders, women and large number of small-holders were too poor to pay the bribes, and also uneducated to do the paperwork. The unsatisfied demand prepared the ground for a revolution on the supply side and microfinance took its birth. Perhaps this might have made empowerment, were established by the non-governmental organizations. In the era of 21st century, NGOs have been transformed themselves from non-profit to
profit making business models. Especially, the success formula of microfinance not for profit model has been learned from the concepts of Product Development and Marketing (PRODEM) of Bolivia and Grameen Bank of Bangladesh. It has been proved that committed for the social development, NGOs can develop the society through providing finance accessibility to the poor based on self-help model. Many NGOs in India came forward to promote microfinance. At present more than 1000 NGOs are implementing micro-finance projects in India.

The emergence and rapid multiplication of Self Help Groups (SHGs) based on micro credit is a phenomenon that is gaining increasing importance in the development scenario. Now there are about seven million SHGs in the country. Nearly 90 percent of the groups are women groups.⁸ SHGs have been viewed by the State as a strategy for both women’s empowerment as well as poverty reduction. SHGs are a channel for routing a wide range of government sponsored development messages and schemes. NGOs have increasingly been adopting SHGs as a strategy to bring women together, at a faster pace and larger scale than the collective building processes adopted by them earlier. A number of powerful players like MFIs, NGOs, Corporations and donors, all of them have a significant and growing interest in the SHG movement.

Credit is a right that poor women must have access to. The experience of SHGs has shown that they have provided improved access to credit. Poor women are now perceived by the mainstream financial sector as credit worthy. Women have used savings and credit for needs such as those related to education, and health, and in particular for emergent related needs. Participation in SHGs has meant opportunities related to mobility and a legitimate space in the public domain for leaders of SHGs. Notwithstanding all the positive achievements, the overall picture is uneven and raises some concerns related to gender justice and livelihoods that the 11th Five Year Plan process needs to address. These

⁸ Source: NABARD Website
concerned draw upon the understanding of equity and gender justice of concerned practitioners who have implemented SHG programmes as well as several research studies.

**Progress of Self Help Groups in India**

Women’s Work in India -- Invisible, Unrecognized and Unremunerated

- India has 397 million workers
- 123.9 million are women
- 106 million are in rural areas
- 18 million are in urban areas
- Only 7 percent of India’s labour force is in the organized sector; 93 percent is in unorganized, informal sector
- 96 percent of women workers are in unorganized sector
- Female work participation rate (WPR) has increased from 19.7 percent in 1981 to 25.7 percent in 2001
- In rural areas female WPR has increased from 23.1 to 31 percent
- In urban areas it has increased from 8.3 to 11.6 percent
- But women reported as non-workers in the census found to spending 4 hours a day picking, sowing, grazing cattle, threshing, or working as domestic servants for 8-10 hours a day!.

NABARD continued to extend promotional and financial support for marketing of products of rural artisans/entrepreneurs. During the year, NABARD supported 230 marketing events/exhibitions across country involving grant assistance of Rs.51.07 lakh. The Bank co-sponsored SARAS-Mahalaxmi Fair at Mumbai wherein 100 artisans from 27 States participated in the Eleven day long exhibition-cum-sale event. Participation in marketing events/exhibitions provided them necessary exposure to interact directly with the consumers. Interface with management students, professional designers and representatives of promotional agencies like KVIC/KVIB, etc., at such events
enabled the artisans to fine tune their product range to suit consumer preferences.

Under the pilot scheme introduced in 2005-06, grant assistance for setting-up of rural marts to facilitate marketing linkages for handicraft and agro-based products is extended to federations/activity groups, producer groups/associations, farmers’ clubs, matured SHGs, etc., to cover certain initial costs of setting-up of rural outlets at district/taluk headquarters. The assistance is provided for a period of 15 months, to cover two busy business seasons when the venture is expected to break even. As on 31 March 2007, NABARD had extended grant support to the extent of Rs.73.79 lakh for setting-up of 79 rural marts in 12 States.

For the development of rural non-farm sector, apart from providing refinance support to the banks, NABARD supported 249 entrepreneurship/ skill development programmes, most of them through the Rural Development Self Employment Training Institutes (RUDSETIs) and Rural Self Employment Training Institutes (RSETIs). Rural artisans and SHG members were supported to participate in 21 marketing events.

Table 2.1: Number of SHGs in India (2005-06 TO 2009-10)

<table>
<thead>
<tr>
<th>YEAR</th>
<th>Number of SHGs</th>
<th>Growth Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>2005-06</td>
<td>2238565</td>
<td>109.47</td>
</tr>
<tr>
<td>2006-07</td>
<td>2924973</td>
<td>130.66</td>
</tr>
<tr>
<td>2007-08</td>
<td>5009794</td>
<td>171.28</td>
</tr>
<tr>
<td>2008-09</td>
<td>6121147</td>
<td>122.2</td>
</tr>
<tr>
<td>2009-10</td>
<td>6959250</td>
<td>113.6</td>
</tr>
</tbody>
</table>

Source: NABARD Reports 2005-06 to 2009-10

It is shown that how the number of SHGs are increased in the period 2005-06 to 2009-10. In 2004-05, 10, 68,697 SHGs were linked with the banks. In 2005-2006
the number of SHGs has been increased by 109.47 growth rate i.e. 22,38,565. In the year 2006-07 growth rate was 130.66, in 2007-2008 growth rate was 171.28 in 2008-09 growth rate was 122.2 and in 2009-10 Growth rate is 113.6. The variation is greater in growth rate.

Table 2.2: Progress of Women SHGs as On 2009-10

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Total SHGs (lakh)</th>
<th>Women SHGs (lakh)</th>
<th>% of Women SHGs to Total SHGs</th>
<th>Total Amount (crore)</th>
<th>Women SHGs Amount (crore)</th>
<th>% of Women SHGs Amount to Total SHGs Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Saving linked SHGs</td>
<td>69.53</td>
<td>53.10</td>
<td>76.37</td>
<td>6198.71</td>
<td>4498.66</td>
<td>72.57</td>
</tr>
<tr>
<td>Loan Disbursed</td>
<td>15.87</td>
<td>12.94</td>
<td>81.54</td>
<td>14453.30</td>
<td>12429.37</td>
<td>85.99</td>
</tr>
<tr>
<td>Loan Outstanding</td>
<td>48.51</td>
<td>38.91</td>
<td>80.33</td>
<td>28038.38</td>
<td>23030.36</td>
<td>82.14</td>
</tr>
</tbody>
</table>

Source: Status of micro Finance 2009-10, NABARD

The above table reveals the progress of women SHGs during the year 2007-08, 2008-09 and 2009-10. It indicates that SHGs during the year 2008-09 increased over the year 2007-08 but the progress is slowed down in the year 2009-10. Loan disbursed and loan outstanding amount of women SHGs as a percentage of amounts of total SHGs has been increased during that period. It was also found that employment generation with the help of SHGs is more in below poverty line families than APL (above poverty line) families as a member of SHGs. There is an increase in the expenditure of beneficiaries from last year to the current year. That means it shows a positive impact of SHGs on employment generation. The problems of unemployment as well as poverty in the economy can be solved in this way if SHGs continuously provide help to these people. As majority of beneficiaries of all SHGs accepted expansion of employment after getting loans. Thus, SHGs leads to the way through which the problem of unemployment can be solved and poverty can be removed in the Indian economy.
The table below Showing State-Wise spread of the SHG-Bank Linkage Programme-Savings of Shgs with Banks as on 31\textsuperscript{st} March 2010 (Amount Rs. Lakh)

Table 2.3:

<table>
<thead>
<tr>
<th>State</th>
<th>No. of SHGs</th>
<th>Savings Amount Rs.</th>
<th>% to total</th>
<th>No. of SHGs</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Andhra Pradesh</td>
<td>1448216</td>
<td>125528.98</td>
<td>20.83</td>
<td>20.25</td>
<td></td>
</tr>
<tr>
<td>Arunachal Pradesh</td>
<td>6418</td>
<td>164.89</td>
<td>0.09</td>
<td>0.03</td>
<td></td>
</tr>
<tr>
<td>Assam</td>
<td>218352</td>
<td>7359.94</td>
<td>3.14</td>
<td>1.19</td>
<td></td>
</tr>
<tr>
<td>Bihar</td>
<td>140824</td>
<td>8539.57</td>
<td>2.03</td>
<td>1.38</td>
<td></td>
</tr>
<tr>
<td>Chhattisgarh</td>
<td>113982</td>
<td>7578.06</td>
<td>1.64</td>
<td>1.22</td>
<td></td>
</tr>
<tr>
<td>Goa</td>
<td>6745</td>
<td>3649.31</td>
<td>0.10</td>
<td>0.59</td>
<td></td>
</tr>
<tr>
<td>Gujarat</td>
<td>168180</td>
<td>32190.15</td>
<td>2.42</td>
<td>5.19</td>
<td></td>
</tr>
<tr>
<td>Haryana</td>
<td>36762</td>
<td>10762.55</td>
<td>0.53</td>
<td>1.74</td>
<td></td>
</tr>
<tr>
<td>Himachal Pradesh</td>
<td>50182</td>
<td>3490.9</td>
<td>0.72</td>
<td>0.56</td>
<td></td>
</tr>
<tr>
<td>Jammu &amp; Kashmir</td>
<td>4366</td>
<td>1818.83</td>
<td>0.06</td>
<td>0.29</td>
<td></td>
</tr>
<tr>
<td>Jharkhand</td>
<td>79424</td>
<td>7421.81</td>
<td>1.14</td>
<td>1.20</td>
<td></td>
</tr>
<tr>
<td>Karnataka</td>
<td>534588</td>
<td>62705.32</td>
<td>7.69</td>
<td>10.12</td>
<td></td>
</tr>
<tr>
<td>Kerala</td>
<td>394197</td>
<td>37556.32</td>
<td>5.67</td>
<td>6.06</td>
<td></td>
</tr>
<tr>
<td>Madhya Pradesh</td>
<td>178226</td>
<td>10151.07</td>
<td>2.56</td>
<td>1.64</td>
<td></td>
</tr>
<tr>
<td>Maharashtra</td>
<td>770695</td>
<td>56828.02</td>
<td>11.08</td>
<td>9.17</td>
<td></td>
</tr>
<tr>
<td>Manipur</td>
<td>10831</td>
<td>218.56</td>
<td>0.16</td>
<td>0.04</td>
<td></td>
</tr>
<tr>
<td>Meghalaya</td>
<td>11787</td>
<td>360.25</td>
<td>0.17</td>
<td>0.06</td>
<td></td>
</tr>
<tr>
<td>Mizoram</td>
<td>5097</td>
<td>251.40</td>
<td>0.07</td>
<td>0.04</td>
<td></td>
</tr>
<tr>
<td>Nagaland</td>
<td>5926</td>
<td>334.37</td>
<td>0.09</td>
<td>0.05</td>
<td></td>
</tr>
<tr>
<td>New Delhi</td>
<td>2191</td>
<td>234.85</td>
<td>0.03</td>
<td>0.04</td>
<td></td>
</tr>
<tr>
<td>Odessa</td>
<td>503172</td>
<td>36473.5</td>
<td>7.24</td>
<td>5.88</td>
<td></td>
</tr>
<tr>
<td>Punjab</td>
<td>45005</td>
<td>3645.1</td>
<td>0.65</td>
<td>0.59</td>
<td></td>
</tr>
<tr>
<td>Rajasthan</td>
<td>213295</td>
<td>14255.08</td>
<td>3.07</td>
<td>2.30</td>
<td></td>
</tr>
<tr>
<td>Sikkim 2</td>
<td>2428</td>
<td>141.98</td>
<td>0.03</td>
<td>0.02</td>
<td></td>
</tr>
<tr>
<td>Tamil Nadu</td>
<td>826710</td>
<td>90373.26</td>
<td>11.89</td>
<td>14.58</td>
<td></td>
</tr>
<tr>
<td>Tripura</td>
<td>31349</td>
<td>3335.70</td>
<td>0.45</td>
<td>0.54</td>
<td></td>
</tr>
<tr>
<td>Uttar Pradesh</td>
<td>429760</td>
<td>26464.03</td>
<td>6.18</td>
<td>4.27</td>
<td></td>
</tr>
<tr>
<td>Uttarkhand</td>
<td>43997</td>
<td>7170.41</td>
<td>0.63</td>
<td>1.16</td>
<td></td>
</tr>
<tr>
<td>West Bengal</td>
<td>647059</td>
<td>59486.85</td>
<td>9.31</td>
<td>9.60</td>
<td></td>
</tr>
<tr>
<td>A &amp; N Islands</td>
<td>3763</td>
<td>92.87</td>
<td>0.05</td>
<td>0.01</td>
<td></td>
</tr>
<tr>
<td>Puducherry</td>
<td>19723</td>
<td>1286.96</td>
<td>0.28</td>
<td>0.21</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>6953250</td>
<td>619870.89</td>
<td>100.00</td>
<td>100.00</td>
<td></td>
</tr>
</tbody>
</table>

Source: Status of Microfinance in India 2009-10: A NABARD Publication
It is shown that how the numbers of SHGs are increased by the March, 2010 and 69, 53,250 SHGs were linked with the banks with a total savings Rs.6, 19,870.89crore.

Table 2.4: Highlights of SHG-bank linkage programme

<table>
<thead>
<tr>
<th>Highlights of SHG-bank linkage programme</th>
<th>As on March 2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total no. of SHGs saving linked with banks</td>
<td>69.53 lakh</td>
</tr>
<tr>
<td>Out of total exclusive women SHGs</td>
<td>53.10 lakh</td>
</tr>
<tr>
<td>Total no. of SHG credit linked with banks</td>
<td>15.87 lakh</td>
</tr>
<tr>
<td>Total saving amount of SHGs with banks</td>
<td>6198.71 crore</td>
</tr>
<tr>
<td>Total amounts of loan disbursed to SHGs</td>
<td>14453.30 crore</td>
</tr>
<tr>
<td>Out of total saving of exclusive women</td>
<td>4498.66 crore</td>
</tr>
<tr>
<td>Out of total loan disbursed to women SHGs</td>
<td>12429.37 crore</td>
</tr>
<tr>
<td>Estimated number of families covered up to 31st March</td>
<td>97 million</td>
</tr>
<tr>
<td>No. of participating banks</td>
<td>446</td>
</tr>
<tr>
<td>No. of program conducted by govt. during 2009-10</td>
<td>6804</td>
</tr>
<tr>
<td>No. of participants covered during 2009-10</td>
<td>2.54 lakh</td>
</tr>
</tbody>
</table>

Source: Status of Microfinance in India 2009-10: A NABARD Publication

"Our focus on graduation of Self-Help Groups (SHGs) to micro enterprises has been a top priority. As many as 1.10lakh SHGs have been promoted during 2011-12 and refinance support of Rs. 419crore was extended to banks during the year," stated by NABARD Financial Services Limited, a subsidiary of NABARD, has also been extended a refinance of Rs 200crore to extend loans to 11,000 SHGs. Further, 11,000 joint liability groups have been promoted and assisted by which will enable tenant farmers, oral lessees etc. to access bank credit.

---

9 NABARD News
Low interest loans will be provided to over 25lakh women self-help groups (SHGs) across the country under a central programme launched to crash out absolute poverty from the villages through women empowerment. According to the announcement made by the Finance Minister P Chidhambaram, in the 2012-13 Budget, the Union Cabinet has approved the provision of interest subvention to women SHGs, operating under National Rural Livelihood Mission (NRLM) enabling them to avail loans up to Rs. 3lakh at an interest rate 7 percent. The women SHGs that repay loans in time will get additional 3 percent subventions, reducing the effective rate to 4 percent. This is a welcome measure for the progress of SHGs.