CHAPTER VI

EFFORTS OF THE SAMPLE NGOs IN PROMOTING MICROFINANCE ACTIVITIES
A PROFILE

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NGOs IN ENTREPRENEURSHIP DEVELOPMENT:

The development of entrepreneurship has gained the status of national movement not only for industrial development but also for its strength to solve the problem of unemployment and upliftment of socially and economically weaker sections of the society. The need for development of 'Spirit of enterprise' among the target population is felt more during the recent years mainly due to the failure of the 'trickle down theory' to percolate the development benefits to the masses. Consequently as a tool of bottom up mode of development several self-employment and anti-poverty programmes like PMRY, TRYSEM etc., clothed with minimum entrepreneurial agencies showed their weakness in implementation. The NGOs, hitherto, engaged in their traditional areas of operation – SHG formation, training for self-employment, micro entrepreneurship, health, sanitation, education, family planning, environment protection etc., have grabbed this opportunity to entrepreneurs the lesser known target groups. The government agencies engaged in this activity started co-opting and collaborating with NGOs mainly due to the sheer magnitude of the society.

The specific activities of NGOs engaged in entrepreneurship development can be broadly classified in to three:

a) Direct involvement in stimulation of entrepreneurship by conducting Entrepreneurship Development Programmes, and skill among the target groups, funded out of its resources or sponsored by others.

b) Provision of counseling and consultation services in project preparation, feasibility study, technical advice on the purchase of plant and machinery, tricks of trade etc., and to assist small entrepreneurship in promotion, growth and expansion needs of business units.

c) Provision of marketing assistance in securing finance (information gaps that exist about government schemes of employment, subsidy, loan facilities etc.,) incubation and net working facilities.
6.2: ADVANTAGES AND WEAKNESSES OF THE NGOs:
The main advantages of the NGOs and their policies are the following:

1) More actors oriented: - NGOs tend to take up activities, which are needed for the people. NGOs are able to undertake need-based activities because they undertake studies relating to situation and needs of the people. They find out who are the poor? Why are they poor? The rigor with which the situational and needs assessment studies are carried out may vary across the NGOs. But a starting point in the case of most of the gross roots NGOs is the articulation of the problems of the community in their project location. Most of the NGOs focus on the important problems that the poor and the marginalized community such as women, dalits and adivasis face in the locality.

2) Flexible in methods and practices: NGOs exhibit a high degree of flexibility in their functioning, methods, and practices because they tend to be local and small. The geographical area of the NGOs tends to be small. NGOs can respond efficiently to local demands. Being locally based they are aware of the local environment and are responsive to it.

3) Adopt innovative and participatory approaches: The credit manages programme of MYRADA influenced many NGOs to start similar programmes in their project areas. This programme also influenced the NABARD to introduce Bank-SHG Linkage programmes initially on a pilot basis and now all over the country.

4) More focused in development work: NGOs development tends to be more focused as it is their principle goal. The NGOs normally have one principle goal. Which could be poverty alleviation, mobilization of the marginalized section to access government programmes etc.
5) Relative independence: NGOs programmes enjoy relative independence as far as local power structures are concerned, they are influenced by donor and government policies.

6) Effective development work: Because of the above, the NGOs development programme tends to be effective in reaching the poor poverty alleviation and in cost reduction. The targeting is relatively good in NGOs Programme.

The evidence suggests that the NGOs have several advantages as compared to the government. The NGOs tend to be highly motivated and are prepared to accept hard ship as challenges rather than as a punishment. The NGOs program achieved better results than the government, through the proper identification of the problem, designing the suitable and sustainable packages. Another comparative study on self-employment programmes for rural youth initiated by the government departments, NGOs, private organizations and Grass Roots Organizations (GROs) reaches a similar conclusion that the NGOs, with commitment, dedication, missionary zeal, flexibility, etc., were more successful in implementing this program than the other organisations. Notwithstanding these advantages, NGOs and their development programmes face the following weaknesses.

- Spatial limitation
- Lack of good governance and transparency
- Inability to reach the poorest
- Antagonistic attitude towards the state
- Palliative nature of service provision
- Limited ability to influence macro policies
- Lack of accountability
- Inappropriate models
6.3: CHALLENGES AND OPPORTUNITIES OF THE NGOs:

India continues to face the problems of unemployment and poverty even after five decades of development efforts by the independent government.

- A government rarely does or will, fulfill more than a few of the wide range of demands that effective democratic decentralized government requires.
- Secondly, the government is rarely willing to implement the types of structural reforms and policies that can bring about a transformation in the abilities of marginalized groups and outer disadvantaged in the abilities of marginalized groups and outer disadvantaged social actors to contest more successfully in key markets that determine the economic, social and political conditions.
- Thirdly, institutions of local government are rarely willing to bring about the mobilization of disadvantaged groups in order to place demands up on the state.
- Fourthly, the electoral focus of political parties upon the institutions of government at the local and national levels tends to mitigate against taking up specific local problems or given the patrimonial nature of local politics, problems that challenge local political elites.

Because of above, NGOs have come to occupy a central position in facilitating development at the local level and hence have considerable space to initiate development directed at improving the condition of the more marginalized and disadvantaged social groups. This is one of the important opportunities that the NGOs have.

6.5: THE VIABLE STRATEGY FOR NGOs:

The liberalization policies pursued since 1991 also suggest that the NGOs need to undertake those activities, which would provide safety nets to the poor. In other words, they need to provide services to the poor. The viable strategy for NGOs would, therefore, be to facilitate those mechanisms through which the people would demand the government to deliver more goods and services, and
help them to put pressure on the state become a “better developer”. For this, NGOs need to concentrate on the followings:

- First providing qualitative services to the poor. This includes the formation of target group organization building capacity of the poor and leadership among them, facilitating the provision of efficient and effective service i.e. credit, watershed development etc to enable the people to plan, implement and monitor their development activities, enabling the target group organizations to become self reliant, self- sustainable and independent of NGOs.
- Second, they to build the capacity of the target group and their organizations to access the resources from the government as their right.
- NGOs need to develop the target group organizations at various levels in a project area. Such organizations would be in a strong position to gain access to government resources, and participate in local decentralizing government.
- NGOs need to form themselves into networks by over coming their differences to influence government policies at various levels through lobbying and advocacy.

6.6: HISTORY OF NGOs CONSIDERING INTEREST IN MICRO-FINANCE:

Micro finance programmes, introduced and extended by NGOs in several parts of India have the potential to minimize the problems of inadequate access to the poor. The Indian government formulated several schemes to support micro finance programs initiated by NGOs through NABARD, Rashtriya Mahila Kosh (RMK) and SIDBI. The NGOs became prominent, especially after 1970s. This was because of the limited success in development policies pursued by the government. After independence, a change in the perception on development and also the role of NGOs in rural development took place. In 1950s and 1960s, it was assumed that the economic growth through state investment in social sector was the answer to poverty. This was accompanied by welfare programme for poor people. NGOs were approached by different state governments and aid agencies to assist in the implementation of these community development and welfare programmes,
especially in the rural areas. During the 1960s, it was found that economic growth combined with welfare activities at the micro level was not adequate to alleviate poverty. Hence, the Indian government initiated small and marginal farmer development programmes with a view to alleviate poverty. The government wanted to enlist support of the local population for these programmes and called up many NGOs. By 1990s, significant developments started taking place in India and across the world. NGOs have become popular with government and aid agencies in response to certain developments in socio-economic and political thinking.

6.7: NGOs AND SELF-HELP GROUPS - BANK LINKAGE:

Self Help Groups are always formed with outside assistance. Developmental NGOs, often with considerable history of working in a particular area for projects like literacy, sanitation etc., take to organizing SHGs, bringing together people, explaining the concept to them, attending and helping coordinate a few of the initial group meetings, helping them maintain accounts and linking them with the banks. Of late, some of the rural banks themselves are being designated as Self-Help Promoting Institutions (SHPIs) and they help in the formation and 'nursing' of SHGs. For the last 25 years, a few organizations, outside the purview of the public sector, have succeeded in effective poverty alleviation through micro-credit. Self Employed Women’s Association (SEWA) in the Western Indian state of Gujarat and Working Women’s Forum in the Southern state of Tamilnadu were among the pioneers in this effort. The sector received a major boost in the 1990s with the entry of several Non-Government Organizations. Many of these NGOs have been previously functioning in different developmental roles among the poor, and now added micro credit to the list of services they provided. A few others, impressed by the success of micro finance elsewhere, started off as MFIs. Self-Help Groups among the poor, mostly women, have rapidly become a common rural phenomenon in many Indian states. NGOs provide the leadership and management necessary in forming and running such groups in most cases. They also act as the crucial link between these groups and the formal banking system. Presently well over 500 NGOs link micro finance institutions are actively engaged.
The main advantage of Self-Help Groups lies in their joint liability and consequent “peer monitoring” of member borrowers in association with sponsoring NGOs. Several alternative models of SHG-NGO-Bank relationship have emerged in recent years. One such model is where the bank lends directly to the SHG and the latter further lends it to individual members. As a variant of this model, an NGO may provide training and guidance to the SHG still dealing directly with the bank. This has been the most popular model in the Indian context. Alternatively, the NGO itself may act as an intermediary between the Bank and the SHG, borrowing from the bank and lending it to SHGs. Table 6.1 envisaged the participation of the partner agencies in SHG–Bank Linkage in India.
<table>
<thead>
<tr>
<th>State</th>
<th>No. Of Partner Agencies</th>
<th>No. of SHGs promoted by Partner NGOs and other agencies</th>
<th>Of which No. Of SHGs promoted by formal agencies</th>
</tr>
</thead>
<tbody>
<tr>
<td>Himachal pradesh</td>
<td>78</td>
<td>19,018</td>
<td>7,731</td>
</tr>
<tr>
<td>Rajasthan</td>
<td>114</td>
<td>32,000</td>
<td>23,370</td>
</tr>
<tr>
<td>Haryana</td>
<td>19</td>
<td>628</td>
<td>28</td>
</tr>
<tr>
<td>Punjab</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>New Delhi</td>
<td>5</td>
<td>301</td>
<td>0</td>
</tr>
<tr>
<td>Jammu &amp; Kashmir</td>
<td>15</td>
<td>1545</td>
<td>0</td>
</tr>
<tr>
<td>Assam</td>
<td>51</td>
<td>59,57</td>
<td>0</td>
</tr>
<tr>
<td>Meghalaya</td>
<td>7</td>
<td>664</td>
<td>0</td>
</tr>
<tr>
<td>Tripura</td>
<td>15</td>
<td>1000</td>
<td>28</td>
</tr>
<tr>
<td>Sikkim</td>
<td>6</td>
<td>382</td>
<td>169</td>
</tr>
<tr>
<td>Manipur</td>
<td>1</td>
<td>5</td>
<td>0</td>
</tr>
<tr>
<td>Nagaland</td>
<td>14</td>
<td>467</td>
<td>0</td>
</tr>
<tr>
<td>Arunachal Pradesh</td>
<td>1</td>
<td>45</td>
<td>0</td>
</tr>
<tr>
<td>Mizoram</td>
<td>6</td>
<td>726</td>
<td>530</td>
</tr>
<tr>
<td>Orissa</td>
<td>148</td>
<td>11,082</td>
<td>0</td>
</tr>
<tr>
<td>Bihar</td>
<td>96</td>
<td>5,464</td>
<td>814</td>
</tr>
<tr>
<td>Jharkhand</td>
<td>175</td>
<td>21,258</td>
<td>62</td>
</tr>
<tr>
<td>West Bengal</td>
<td>253</td>
<td>8,166</td>
<td>3,459</td>
</tr>
<tr>
<td>A&amp;N Islands</td>
<td>8</td>
<td>230</td>
<td>0</td>
</tr>
<tr>
<td>Madhya Pradesh</td>
<td>162</td>
<td>360,099</td>
<td>326,518</td>
</tr>
<tr>
<td>Chhatisgarh</td>
<td>17</td>
<td>998</td>
<td>0</td>
</tr>
<tr>
<td>Uttar Pradesh</td>
<td>251</td>
<td>13,114</td>
<td>1,757</td>
</tr>
<tr>
<td>Uttarakhand</td>
<td>32</td>
<td>913</td>
<td>0</td>
</tr>
<tr>
<td>Gujarat</td>
<td>153</td>
<td>41,223</td>
<td>346</td>
</tr>
<tr>
<td>Maharashtra</td>
<td>134</td>
<td>64,754</td>
<td>5,595</td>
</tr>
<tr>
<td>Goa</td>
<td>21</td>
<td>626</td>
<td>44</td>
</tr>
<tr>
<td>Andhra Pradesh</td>
<td>118</td>
<td>516,000</td>
<td>483,614</td>
</tr>
<tr>
<td>Karnataka</td>
<td>570</td>
<td>188,477</td>
<td>105,265</td>
</tr>
<tr>
<td>Kerala</td>
<td>56</td>
<td>5,090</td>
<td>103</td>
</tr>
<tr>
<td>Tamil Nadu &amp; UTP</td>
<td>498</td>
<td>217,328</td>
<td>382</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>3,024</strong></td>
<td><strong>1,517,560</strong></td>
<td><strong>959,815</strong></td>
</tr>
</tbody>
</table>

Source: Progress of SHG-Bank Linkage in India 2003-04, Mumbai.
6.8: **NGOs IN KARNATAKA:**

The profile of government-voluntary organization partnership followed much the same path in Karnataka. The recognition of the role of voluntary agencies in partnering government initiatives by the centre may have had some influence in the initiatives taken by the Government of Karnataka by bring several NGOs into major government-sponsored programmes. Though this experience has been a mixed one, there is ample evidence that, on the whole, this collaboration between the public and voluntary (NGO) sectors in development has helped to raise the ownership of people of these programmes and the quality of people's institutions that subsequently emerged.

Karnataka enjoys the distinction of fostering a healthy relationship between the government and NGOs. Such partnerships are established in the hope of greater synergy and even though they may bring conflicts in their wake, Karnataka has chosen to manage these tensions, rather than abandoning NGO partnerships altogether. NGOs are usually categorized according to their main activity. However, the history of NGOs shows that many NGOs start with a particular activity, but broaden their portfolio as they progressively respond to people's concerns, which are not compartmentalized. Most NGOs however, are mobilisers of people and providers of services. From this basis, they move to catalyzing social and economic change and influencing gender relations. An analysis of the Directory of Voluntary Organisations in Karnataka, which brought out profiles of 530 NGOs, indicates that of the 530 NGOs surveyed, the largest numbers are engaged in development, followed by social service and health. Table 6.2 presented the data about the category index of NGOs in Karnataka.
Table 6.2: Category index of NGOs in Karnataka

<table>
<thead>
<tr>
<th>Main category</th>
<th>No. Of NGOs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Development</td>
<td>154</td>
</tr>
<tr>
<td>Social Service</td>
<td>118</td>
</tr>
<tr>
<td>Health and Rehabilitation</td>
<td>97</td>
</tr>
<tr>
<td>Law and Advocacy</td>
<td>47</td>
</tr>
<tr>
<td>Education</td>
<td>44</td>
</tr>
<tr>
<td>Environment</td>
<td>28</td>
</tr>
<tr>
<td>Support Organizations</td>
<td>27</td>
</tr>
<tr>
<td>Religion</td>
<td>1</td>
</tr>
<tr>
<td>Total of all types</td>
<td>530</td>
</tr>
</tbody>
</table>

Source: Karnataka Human Development Report 2005, GOK.

6.9: NGOs IN SAMPLE DISTRICTS:

The present study consists of six sample NGOs, have been selected for understanding depth through interviews. These six NGOs are considered viz. Pastoral Sociology Institute (PSI) Seva Bhavan and Grama Vikasa from Kolar district, Maitri Institute of Rural Development (MIRD) and Vikasana Institute for Rural and Urban Development are from Mandya district and Janodaya and Dhan Foundation are from Bangalore Rural district. We highlight the activities of these NGOs in the following paragraphs.

6.9.1 PASTORAL SOCIOLOGY INSTITUTE (PSI) SEVA BHAVAN:

The Pastoral Sociology Institute (PSI) Seva Bhavan is an NGO working on micro financing in Kolar district. This institution’s first branch was established in 1990 at Malur taluk of Kolar district. In the beginning programmes like literacy classes, adult education and mobile medical service were performed. PSI Seva Bhavan started in 1995 with the programme of formation and nurturing of Self-Help Groups with the support of Indo-German Social Service Society. The PSI Seva Bhavan has now developed into a strong NGO, which formed 140 SHG’s in about 62 villages in Malur taluk. It encompasses a total membership of 2380 members. Of which 60 percent of SHG members are from weaker sections. About 41 staff members are working in the NGO.
GOAL AND OBJECTIVES:

On the social and developmental front PSI Seva Bhavan involves itself mainly in community organization programmes. The goal of PSI Seva Bhavan is to facilitate socio-economic empowerment of poor people by providing economic support and non-economic support addressing social problems like female literacy, gender inequality, health and hygiene of women and children and drudgery of women’s daily life. Mobilizing local resources and with the help of the project and panchayatraj institutions. PSI introduced community organization programmes for upliftment of weaker sections of the society in their life through the following objectives.

- Formation of Self-Affinity and mutually supporting groups of poor women below poverty line.
- Promote savings and credit activities in rural areas through SHGs.
- Making awareness of welfare schemes of the government to the poor people in rural areas.
- Supporting for watershed programmes.
- Conducting training programmes for women members.
- Establishment of day care centres for children below the age of 3 years.
- Distant adoption programme, which provides educational support to poor children of Kolar district through sponsorship.
- Providing non-formal education for SHG members.
- Making awareness against the social evils to the women.

SOURCE OF FUNDING:

The institute is financing by both central and states governments and various organizations and secular funding agencies both domestic and foreign for promotion of services, which is rendering. It is also availing donations and subscriptions from individuals.
ACTIVITIES:

PSI Seva Bhavan believes that empowerment of rural poor people is crucial for development. On the social and developmental front PSI involves itself mainly in community organization programmes. The core objectives of this NGO are formation of SHG’s and helping poor women from below poverty line. PSI Seva Bhavan has established several branches for the promotion of SHG’s and other programmes in different parts of Karnataka. In addition, the NGO is implementing programmes like literacy classes, adult education and mobile medical service. Recognizing the credibility and capacity of PSI as a non-governmental organisation the state government invited PSI to be its partner in the implementation of Swashakti project (Rural Women’s Development and Empowerment Programme) with assistance from World Bank and the International Fund for Agricultural Development (IFAD). In November 1999, PSI Seva Bhavan entered into a contract with the Government of Karnataka to form, nurture and empower 55 Self-Help Groups. These groups have been formed and empowered to handle their own records and accounts. They have their own saving bank accounts. After going through savings activities the groups successfully began to lend their savings among themselves for their own needs. The main activity is income generation programmes such as agriculture, animal husbandry, and production and value addition activities for their products. Members of several groups have successfully taken up rearing of hybrid animals, cows, buffaloes, goats, sheeps, etc. A number of groups have been helped to undertake enterprises. These groups are now involved in creating community assets like community halls, sewage systems, drinking water supply, toilets, roads etc.

PSI Seva Bhavan was also invited by the government of Karnataka to be its partner the watershed projects member Jalasamvardhana Yojana and Sujala Jalanayana Project in the districts of Kolar and Haveri respectively. For these projects PSI Seva Bhavan is working in 90 villages. PSI Seva Bhavan is also participating in the activities of day care centres providing education support for poor children and non-formal education to illiterates. PSI Asha Bhavan (Home of
Hope) is a short stay home for women in distress providing relief, reconciliation and rehabilitation to the needy person for free of cost. The Department of Women and Child Welfare and Ministry of Human Resource Development support this centre.

PSI Seva Bhavan's another branch at Kolar offering formal and non-formal technical training for youth in electrical, carpentry, welding, automobile and telephone operator trades. PSI Seva Sadan is another branch of PSI at Kaknoor in Koppal District implementing the Swashakthi Project in North Karnataka. Daniella health centre is another branch of PSI at Kengeri providing medical service to the poor and needy of the locality. PSI Seva Gram at Kengeri is making efforts to impart agricultural training to rural youths. St. Marry's nursing home a branch of PSI Seva Bhavan at Malur taluk providing medical service for poor people.

COVERAGE OF ORGANISATION:

PSI Seva Bhavan covers 62 villages comprising of 25,000 populations in Malur taluk of Kolar district. The main project office is located in Malur town. The organization has total staff strength of 41 members and executive committee of seven members elected annually and looks after the administration of PSI. Every branch of the Institute has a director of its own and is supported by other staff members.

6.9.2. GRAMA VIKAS:

Grama Vikas is a NGO working in Kolar district since 1979. It came into existence in response to local problems such as droughts, deteriorating environment, poverty and unemployment, critical life of women, deteriorating conditions of tanks etc. The organisation began its work with welfare approach by launching nutrition food programme aimed at integrated child development. The new approach basically intended to ensure sustainable and self-managed development process and to empower women belonging to landless and marginal farmer households and SC/ST categories by forming SHG's for them. Since then it has been making efforts to integrate sustainable rural development by initiating multi-disciplinary
developmental activities in the region. The NGO is covering Mulbagil, Bangarpet, Srinivaspura and Kolar taluks.

The Grama Vikas has now grown into a strong NGO, which formed more than 400 SHG’s in about 200 villages in Kolar district. The total membership was 7000 women. About three-fourth of the SHG members belongs to scheduled caste, scheduled tribe and other backward classes. The total staff is 45 members and they are working actively with this NGO.

GOAL AND OBJECTIVES:

The goal of Grama Vikas is to facilitate social, political and economic empowerment of rural women by developing self-managed and sustainable people’s institutions. Grama Vikas introduced both income and employment intensive activities through the following objectives:-

- Developing SHG’s as gross-root institutions of rural poor women.
- Promote savings and credit activities through SHG’s formation.
- Linking SHG’s with banks to take up individual/community based activities.
- Making awareness and skill building programmes so as to strengthen their institutional capacity.
- Dissemination of information of various governmental programmes.
- Conducting training programmes and exposure visits.
- Enabling effective participation of women in panchayat raj institutions.

SOURCES OF FUNDING:

The NGO fund is flowing from following organizations;

- NOVIV (Netherlands).
- Christian Children’s Fund (CCF) USA.
- Jala Samvardhana Yojana Sangha (JSYS), Government of Karnataka.
- Swiss Development Co-operation - inter co-operation (SDC-IC).
- Community Aid Abroad (CAA).
- Commercial Banks: Canara Bank and Kolar Grameena Bank.
ACTIVITIES:

Grama Vikas believes that empowerment of women is crucial for development for their true empowerment need to know their rights. Awareness of rights brings about involvement of people in developmental activities, there by increasing in transparency accountability and enhanced quality of governance. Grama Vikas conducts regular campaigns on issues such as alcoholism, voter awareness, transparency, accountability and women’s participation and panchayat raj institutions and related process, violence against women. They are working on improved PDS services, sustainable agriculture practices, restoration of traditional water harvesting, public health care services in rural areas and quality of education in rural areas, with focus on girl children, encouraging groups to approach livelihoods as a fundamental right. Facilitating savings and credit activities by SHG members. Facilitating bank-SHG and linkage for group and individual income generating loans, conducting advocacy for increasing employment for women particularly during drought. Facilitating women to avail government schemes for land purchase and livestock.

COVERAGE:

Grama Vikas covers0 200 villages of which 137 are in Mulbagil and the rest in Bangarpet, Kolar and Srinivasapur taluks. These villages are divided into 15 clusters. The main project office is located in Honnashettyhalli, which is 15 km away from taluk head quarter. The total staff strength of the organization is 45 members. Women are recruited for all the programme activities. Among them 15 are institutional development facilitators, 15 Self-Help Group facilitators, 11 administrators, and 4 internal auditors.

6.9.3: MAITRI INSTITUTE OF RURAL DEVELOPMENT (MIRD):

This NGO is working in Mandya district with head quarter at Mandya city. It was established in 1988. It is a registered trust with a vision to mainstream of socio-economic development of rural poor especially weaker sections of the society. Since 1988 it is working as a NGO covering in 3 taluks in Mandya district namely
Mandya, Maddur and Pandavapura. Its focus is on sustainable development of rural people, women's through developmental initiatives. MIRD is providing training for rural youths and women for self-employment activities with maintaining some projects and programmes availing income generation activities. MIRD is a growing NGO in the state, which has formed 130 SHG’s in Mandya district, which comprises 2000 members. In last 20 years it has grown and recognized as NGO with a team of specialists in education, technology, councilors for children and women problems, research methodologies to tackle a variety of socio-economic problems.

GOAL AND OBJECTIVES:

The goal of MIRD is making better life of poor people through providing all types of basic needs of their life. And it is also aimed to provide promotion and strengthening of rural women unemployed youths and economically weaker sections of the society. The main objectives as follows:-

- Provide relief to poor people through promotion and formation of self-help groups in rural areas.
- Promote and strengthening self-help groups through capacity building.
- Implementation of watershed development programmes in rural areas through community participation.
- Conducting health, sanitation and hygiene education classes to poor people.
- Organize intervention activities to access livelihood support services, credit, and social securities schemes to achieve self-dependency.
- Making awareness in women and her status in the present society through active participation of panchayat raj institution and socio-economic programmes without discrimination and fear.
- Providing self-employment training for rural youths for their better future.

SOURCE OF FUNDING:

The NGO is getting fund from Department of Women and Children, Department of Forestry, National Bank for Agriculture and Rural Development, Karnataka Women Development Corporation and Visweswaraya Grameena Bank Mandya.
ACTIVITIES:

MIRD is involving actively in rural development, irrigation project, forestry, agriculture activities, formation and promotion of self-help groups. In addition, educational awareness and micro entrepreneurship, participatory planning, non-formal education, environmental sanitation also in their agenda. MIRD is also conducting advocacy for increasing employment opportunities for women and providing basic support for formation of SHG’s and their linkages with banks.

COVERAGE:

MIRD is a rural NGO working for providing different level supports for economically socially weaker sections of the society. There are 16 permanent staff and 20 part-time employees with graduation. It covers more than 75 villages in Mandya district. MIRD is working with women, children and men from landless and poor people.

6.9.4: VIKASANA INSTITUTE FOR RURAL AND URBAN DEVELOPMENT:

Vikasana Institute for Rural and urban development is a Non Government Organisation working in Mandya district and its head office located in Mandya City and the project office is working at Melukote of Pandavapura Taluk. Other field offices of Vikasana are at Periyapatna, Gadag, Hubli and Belgaum. Vikasana was registered in 1984 under Karnataka societies registration act 1960. Since 1984 it is working as a leading NGO in the state especially in Mandya district. Its mission is to empowerment of poor in rural and urban areas.

Vikasana has collaboration with important organizations such as Janashikshana Samstana for skill development and training, Zilla panchayat for Jalaniirman project and hygiene and water project, Karnataka Urban and Industries Development Financial Corporation (KUIDFC) for community development package, Labour department residential school for child labour. Vikasana has grown
as a strong NGO in the state, which formed about 460 SHG groups, comprises of 7000 members in Mandya district. Vikasana is covering large area for its activities in poverty alleviation and employment generation. In the last 20 years it is recognised as an NGO with a team of specialist in education, counselors for children and women problems, research methodologies etc. to tackle variety of socio-economic problems. It is involving with government corporate sector and it maintained good and well-established relationship with government departments and other organizations.

GOAL AND OBJECTIVES:

The goal of Vikasana is to making welfare society through tackling socio-economic problems especially women community and it is also aimed at promotion and strengthening of rural areas and economic empowerment of poor. Vikasana is a voluntary, secular, non-profitable institution, which is oriented to promote holistic rural development through people’s participation. The main objectives of the Vikasana are as follows:

- Organise and support for the poor, access services for integrated development and empowerment.
- Promote and strengthening self-help groups and federations through capacity building of SHGs and federations.
- Promotion of watershed development in rural areas through community participation, skill development and SHG formations.
- Promotion of socio-economic empowerment of women through providing savings and credit benefits.
- Conducting health, sanitation and hygiene education to SHG’s.
- Organize intervention activities to access livelihood support services, create social securities schemes to achieve good result and self-dependency.
- Making awareness in women and her status in the present society.
SOURCES OF FUNDING:

Vikasana is financially supporting by Department of Women and Children, Directorate of Municipal Administration, Department of Rural Development and Panchayat raj, Karnataka Urban Infrastructure Development and Finance Corporation, Department of Watershed Development, NABARD and Karnataka State Women Development Corporation Ltd.

ACTIVITIES:

The organization is involved actively in the areas of women empowerment, promotion of SHG’s, education and child rights, entrepreneurship promotion and skill development, training and research, non-formal education, environmental sanitation, supply of drinking water and supporting for construction of low cast housing and infrastructure development.

Vikasana is also facilitating bank SHG linkage for SHG and individual income generation and providing training for members of SHG for self-employment activities. They also working on forward and backward linkages, enhancement of savings and conducting health awareness programmes. It is also conducting entrepreneurship promotion and skill based training with promotion of community based organization.

Vikasana Institute for Rural and Urban Development has 34 permanent staff, 136 part-time employees with graduation in different subjects. It is handling different projects and programmes in the state.

6.9.5 JANODAYA:

Janodaya is an NGO working in Bangalore Rural district and its head quarter is located in Bangalore city. The NGO is working in other districts also like Mysore, Hubli and Bijapur since 1988. Janodaya is an NGO registered under trust act with a vision to main stream urban and rural poor, for socio-legal-economic and integrated self-reliance with a focus on livelihood and basic needs. Since 1993 it is working for economic empowerment of weaker sections of the society. Its vision focuses on
equal and equitable society for all men and women. The NGO targeted to remove poverty, unemployment, inequality and social evils in the society.

The Janodaya is growing as a strong NGO, which formed around 800 SHG groups in the state. Out of which, 172 in Devanahally taluk itself. The total members from these SHG groups were 3043 members. Majority of the members of SHG groups are belongs to scheduled caste scheduled tribe and backward classes. Janodaya is a unique NGO, which has created learning models for development process and has experimented with various aspects of justice and rights to women. In last 13 years it has grown as credible. The NGO has been recognized and getting involved with government, corporate and other public support partners to implement its programmes and activities.

GOAL AND OBJECTIVES:

The goal of Janodaya is to create a society for all to live in peace and access to basic needs, respect and dignity and providing basic needs to the people to facilitate social, political and economic empowerment of poor by developing self-institutions and sustainable institutions. The main objectives of Janodaya are;

- Organize and support for the poor, access services for integrated development and empowerment.
- To capacitate and enhance skills for livelihood, access to socio-economic legal rights, for an independent and self-reliant life.
- Promote and develop education and literacy training and welfare support system through people’s participatory process.
- Facilitate and support to access justice self-expression without fear, support to fight oppression and subjugation in the family and the society.
- Organize intervention activities to access livelihood support services credit shelter, social security schemes to achieve the self-dependency.
SOURCES OF FUNDING:

The NGO getting funds from International Labour Organisation, NABARD, HPS Foundation, SIDBI, Corporation Bank, Vijaya Bank and Government of Karnataka. This NGO also have foreign partners such as India abroad foundation, New-Yark, CORDAID, Netherlands, Canadian Co-operative association, Canada.

ACTIVITIES:

Janodaya is involving in formation of self-help groups in urban and rural areas, vendor livelihood programme, garment workers welfare and savings promotion and formal and non-formal literacy. They are working on youth service for development, leadership development, housing for the poor, legal services, linkage and referral promotion for the poor. Janodaya also working on rehabilitation services, economic activities for income generation, natural resource management, promotion of community based organization for local governance participation and promotion of sustainable agriculture through organic promotion and alternative marketing. Janodaya is facilitating SHG-Bank linkage for group and individual income generation loans and also facilitating training for women. Janodaya is also conducting training programme for SHG members for self-employment activities like agarbatti rolling, candle making, carpentry etc.

COVERAGE:

Janodaya is a unique NGO, which has created learning modules for development process and has experimented with various aspects of justice and rights to women. There is about 120 staff working on various development and micro credit projects. Janodaya spread around in 7 districts with 18 branches for operations. Extension branches are in Bangalore urban, Bangalore rural, Peenya, Hubli, Bijapur and Mysore. Janodaya is also proposed new branches at Bellary, Raichur, Shimoga and Mangalore.

6.9.6: DEVELOPMENT OF HUMAN ACTION (DHAN) FOUNDATION:

Development of Human Action is working as NGO at national level. Its head quarter located at Madhurai. It is a registered NGO working actively and a leading
institution in India. The main branch of DHAN in Karnataka is working since 1983. The head quarter in Karnataka is Bangalore urban district. This NGO is covered Bangalore rural and Tumkur districts. Its vision focuses on sustainable development of poor people and promotion of human action in developmental activities. The new approaches of DHAN is basically intended to building peoples institutions for generation of employment and assets for their livelihoods and empower them to avail all basic needs. DHAN foundation has now growing as a strong NGO, which formed more than 1120 SHGs in about 568 villages in Bangalore rural district which comprises about 17000 members. About 85 per cent of the SHG members are belong to women. Totally 81 staff members are working actively with this NGO to implement programmes for the poor.

GOAL AND OBJECTIVES:

The goal of DHAN foundation is to facilitate effective utilization of socio-economic empowerment of poor people in rural areas by developing self-managed and sustainable peoples institutions. The main objectives are follows:

- Building people institutions for generation and scaling up to enable poor communities.
- Work through thematic approach to reduce poverty among poor throughout the country.
- Developing SHGs as gross root level institutions of rural community.
- The promotion of savings and credit activities among self-help groups.
- Linking SHGs with banks to take up individual/ community based activities.
- Making awareness and skill development programmes so as to strengthen their institutional capacity.
- Providing training programs and exposure visits.
- Enabling effective participation of rural people especially women community in panchayat raj institutions.
SOURCES OF FUNDING:

DHAN foundation national level NGO financially supported by Ford Foundation, ICICI bank, Corporation bank, SRTT, SDTT and State, Central governments. Donor and voluntary organizations also financially support DHAN foundation.

ACTIVITIES:

DHAN foundation believes that sustainable and overall development of rural areas especially weaker sections of the society. DHAN foundation is deeply involved in empowerment of women community through SHG formation and linkage of SHG’s with finance institutions. It is also conducting regular campaign on issues such as alcoholism, voter awareness, and transparency and accountability and women participation in developmental activities. DHAN foundation is providing basic knowledge to the poor people and women community for self-employment activities, income generation and asset creation activities, technological implement, watershed development, structures, public health care services in rural areas. It is working on quality of education with focus on girl child, school dropout of children. The NGO is encouraging SHGs to approach livelihood as fundamental right. It is encouraging women community or group based micro enterprises and also conducting advocacy for increasing employment opportunities for women particularly during the time of vicious circle of poverty and unemployment. DHAN foundation is conducting advocacy in favour of manual against mechanic approach of public works in rural areas. It is also facilitating women and poor to avail government schemes for land purchase and livestock.

COVERAGE:

DHAN foundation is covers 568 villages in 3 districts. The total population covered by this NGO is more than 26,500. The main project office is located in Bangalore. The total permanent staff is 81 and more than 100 part-time workers are working for the implementation of NGO schemes and programmes for rural people. DHAN foundation is also supporting to SHG’s for bank linkages. It is working with
women, children and landless people and self-employment seekers. Majorities of the members are belongs to scheduled caste, scheduled tribe and other backward classes.

CONCLUSION:

It may be asked why NGOs should not take over more government functions when they have so many advantages. The answer is that most NGOs are small, and hence, lack institutional capacity, has access to limited funds and all too often, are capable of dealing only with single issues. Besides, the government cannot transfer its responsibilities for poverty alleviation, food security, social security and basic social services to NGOs. People have certain expectations of their elected representatives that NGOs cannot substitute. NGOs with their indubitable strengths, play a significant role in advocacy, building Community Service Organisations and Capacity Building Organisations and implementing services at the grassroots in a building a dynamic and responsive civil society and enabling the poor and the vulnerable to speak for themselves.

Micro finance programmes, introduced and extended by Non-Governmental Organizations (NGOs) in several parts of India have the potential to minimize the problems of inadequate access to the poor. The Indian government formulated several schemes to support micro finance programmes initiated by NGOs through NABARD Rashtriya Mahila Kosh (RMK) and SIDBI. The ability of NGO microfinance programmes to provide credit for the poorest was limited by both structural and technical factors. Non rotating savings and credit associations are the other types of mutual informal institution. They promoting the habit of thrift among their members and extending loans against the security of deposits or property mostly for consumption or home construction purposes.

Given the scenario, the profile of NGOs advocates a proactive role for Karnataka State in upscaling microfinance to serve as an instrument of poverty alleviation. The role of NGOs in the state is emphasised how the beneficiaries particularly SHG members have benefited from micro finance. The information provided also advocates an approach wherein; microfinance is promoted as an instrument of