



Study of SHGs and Role of Self-help Groups in Women Development

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Abstract : SHG is an independent organization which works in the concept of the participants such as of the members, for the members and by the members. “SHGs are voluntary organizations which disburse micro credit with macro vision to the members and facilitate them to enter into entrepreneurial activities. They save whatever amount they can save every month and mutually agree to contribute to a common fund to be lent to the members for meeting their productive and emergent credit needs.

Key Words : Self Help Group

Self Help Groups : The SHGs are linked to the banks once their activities are stabilized. In India SHGs are promoted by NGOs, banks and co-operative societies. The groups continue to decide the terms of loans to their own members. The peer pressure ensures timely repayment and replaces the collateral for the bank loans (Sajeev et al., 2011). The NABARD gives 100 per cent refinance to the banks on their lending through the SHGs. Each self-help group consists of 10-20 members. The members meet once or twice a month. There is a President, a Secretary and a Treasurer in each SHG. The term of office bearers is on rotation basis, normally one year. All the groups maintain records such as membership register, minute’s book, cash book, savings, and loan ledger. They prepare action plans after detailed discussions of the proposed activities. Every member of the group gets an opportunity to put forth her views. Opinion of the majority is considered while arriving at important decisions. No doubt, this sort of internal democracy has paved the way for the success of SHGs in bringing women to the main stream of the society.

The loan amount is utilized by the women to meet the urgent needs. SHG is the platform for the development of saving habit among women which increases the equality of status of women as participants, decision makers and beneficiaries in the democratic, economic, social and cultural spheres of life. The basic principles of the SHGs are group approach, mutual trust, organization of small and manageable groups, group cohesiveness, spirit of thrift, demand based

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