

“A REVIEW ON COVID-19 INITIATIVES TAKEN BY SHGS TO EMPOWER RURAL INDIA”

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Abstract

Various organizations in Odisha, including the government, NGOs, banks promoted a significant number of SHGs in the 1990s. To investigate the effects of self-help group in Odisha and how it empowers women in rural growth. Its background had a negative impact on everyone's lives, but was particularly harmful. There is a loss of employment, as well as a shortage of food, housing, drugs and other necessities. During these efforts, many service-oriented individuals, self-help groups, NGOs and NGOs have come forward to provide assistance in collaboration with government departments, NABARD, DDMs and others. Self-help groups and their affiliates around the world will rise to the challenge, play a key role in tackling the crisis and take on the burden of supplying basic needs to the poor and helpless. The present thesis examines the initiatives taken in Rayagada district of Odisha.

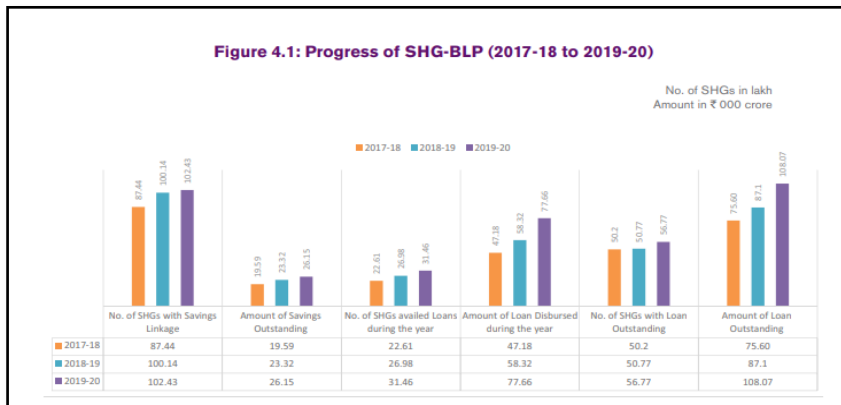
Key words: SHGs, Odisha, COVID-19, Economic development, Social growth, capacity building

Role of SHGs in economic development:

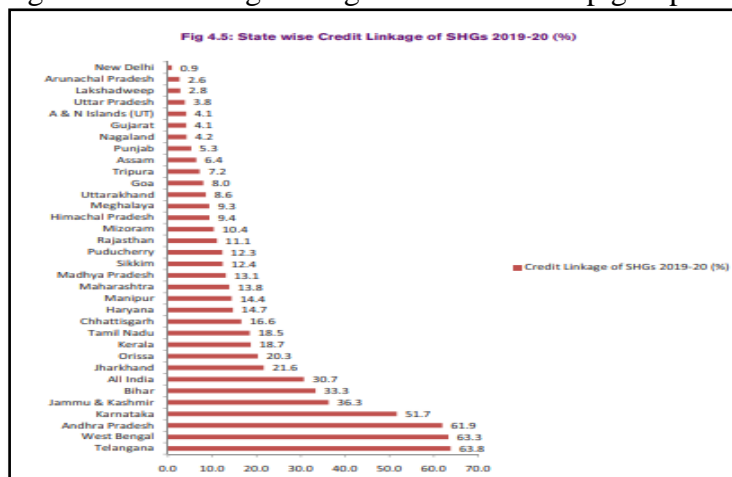
Self-help groups are informal groups of 10-20 people with a similar socioeconomic context that come together in a small community to collaborate on the principles of self-help, unity, and common interest. They encouraged pool tools to be generated in order to make the mandatory sum a mandatory savings when defined, as well as to extend interest-bearing loans to their members to meet their immediate needs. By group consensus, self-help groups are granted the right to gather interest from their participants. Recovery is a peer-pressure system. The mechanism discourages self-help organizations from obtaining microfinance, despite the fact that poor people are vast sources of energy and expertise, posing an untapped potential to build markets, pull people from the periphery, and provide them with the tools they need to help themselves. Financial mediation tasks such as prioritizing needs, deciding terms and conditions, and keeping track of accounts are all needed. This was their proving ground until they were able to handle vast amounts of money by bank credits.

The National Bank for Agriculture and Rural Development (NABARD) launched the Self Help Group Bank Linkage Program (SHG-BLP) in 1992 as a prototype of a door-to-door banking service, and it has largely met its reported financial inclusion goals. It is a grassroots self-help initiative aimed at providing rural backward citizens with long-term livelihood opportunities.

The NABARD-developed SHG-Bank affiliate model allows self-help groups to serve as financial intermediaries, enabling bank loans to flow to disadvantaged members without requiring physical collateral. The movement has grown into the world's largest and fastest-growing microfinance programme, as well as the world's largest network of women-owned community-based microfinance institutions.



Progress of SHGs and Banks Linked to Savings (2017-18 to 2018-19) in 2019-20, banks reported a net inflow of 2.3 lakh savings-affiliated SHGs across India, up 2.3 percent from the previous year's 14.5 percent. The Northeast (6.4 percent), the West (6.4 percent), and the South (6.4 percent) were all part of the Central Region, which developed at a 6.8 percent rate (6.4 percent). The southern area saw a 3.8 percent drop. Though SHGs have grown in popularity in Chandigarh, Haryana, Jammu & Kashmir, Himachal Pradesh, Nagaland, Arunachal Pradesh, Jharkhand, Madhya Pradesh, Uttarakhand, Maharashtra, and Andhra Pradesh, Pondicherry, Tamil Nadu, Manava, Guwahati, Guwahati New Delhi, and Andhra Pradesh. Negative growth was achieved. Data cleansing, dorm closing, and other changes in the banking linking model of self-help groups.



NABARD's self-help group-bank linking initiative was one of the most unique financial inclusion initiatives a quarter of a century ago, when the microfinance industry was still in its infancy and structural lending to the poor was almost non-existent. BLP-SHG).

Since its inception in 2015, NABARD's Livelihood Entrepreneurship Development Program (LED) has trained 89,127 SHG members on how to use bank links to extend their business operations and increase their income levels through livelihood opportunities and market affiliations.

HIGHLIGHTS OF THE SHG-BANK LINKAGE PROGRAMME 2019-20

Sr. No.	Particulars	Total	
		Physical (No. in lakhs)	Financial (₹ in crore)
1	Total number of SHGs saving linked with banks	102.43	26,152.05
(i)	Out of total SHGs - exclusive Women SHGs	88.32	23,320.55
(ii)	Out of total SHGs- under NRLM/SGSY	57.89	14,312.70
(iii)	Out of total SHGs -under NULM/SJSRY	4.69	1,523.57
2	Total number of SHGs credit linked during the year 2019-20	31.46	77,659.35
(i)	Out of total SHGs - exclusive Women SHGs	28.84	73,297.56
(ii)	Out of total SHGs – under NRLM/SGSY	20.49	52,183.73
(iii)	Out of total SHGs – under NULM/SJSRY	1.59	3,406.22
3	Total number of SHGs having loans outstanding as on 31 March 2020	56.77	108,075.07
(i)	Out of total SHGs - exclusive Women SHGs	51.12	100,620.71
(ii)	Out of total SHGs - under NRLM/SGSY	36.89	67,717.07
(iii)	Out of total SHGs - under NULM/SJSRY	2.67	5,466.87

Essential common Characteristics of SHGs are:

1. The primary goal of SHGs is to promote sustainable growth, increase funding for development, and ensure that people are not exploited.
2. Being associations have their own by-laws for the proper operation of the association, as well as for the members' adherence to certain standards and membership regulations.
3. Team formation may also be done on an informal basis (unregistered)
4. A SHG consists of a minimum of five people (maximum of twenty) who have a common worldview, such as economics.
5. Members will elect/nominate a few party members and allow them to manage the bank accounts, much as they will with any other cooperative community.
6. The party addresses and determines the sources of funds, which include member joining/entry fees, member entry fees, money earned from loans and profits for savings, interest-free loans, shared business operations, and so on.
7. At frequent intervals, community members will meet to discuss issues that need to be addressed or limited (raw materials, input supply, marketing, logistics, and technology).

PAN INDIA COVID-19 WAS TAKEN OVER BY SELF-HELP GROUPS

Some of the measures taken in different villages, districts, and states to combat COVID-19 and adapt to the changing environment are as follows:

1. Mask Production and Distribution: Hundreds of SHGs worked together to produce and distribute lacks of masks in a limited period of time. During the first lockdown, one SHG in Valsad district prepared 1.00 lacks masks, and DAY-NRLM, Mehsana prepared a reported 1.78 lack masks with the aid of the SHGs. Samavesh Sai Kripa SHG, made up of eight specially/differently abled men/women, worked around the clock.
2. Delivery of food kits: Food kits take account of vital items such as rice, dal, potato, onion, oil, soaps, and other items were distributed to the poor. In Telangana, the district administration chose SIRD, a NABARD-supported FPO project, TDF, MEDP/LEDP, and other projects, to distribute vegetables in Wanaparthy area. They hired three buses, each of which served about 200 families a day. The vans are operated by SHG owners, who have registered vegetable and fruit sales of about R10000 per vehicle. Via their SHG leadership, one organisation called Rural Development Society distributed masks and food to stranded labourers.
3. Community Kitchens: Hundreds of starving people were served at community kitchens. The Society for Rural & Youth Educational Advancement (SRYEA) participated in 'Food on Wheels,' delivering cooked food to hungry and destitute people, with the help of 15 SHG members from three SHGs. Mehsana district SHGs Jai Ambe Mission Mangalam, Krish Sakhi Mandal, and Jai Goga Sakhi Mandal prepared 250 gramme food packets. Every day,

they distributed 200 packets to the sick. These SHGs have not taken any money from anybody for their whole job. Sowmya and Niranthara, both 20 years old SHGs, contributed ration kits to 130 SHG and non-SHG members using R105750/- from their own savings and internal loan dividend number.

4. Many organisations have held hygiene and social distancing awareness camps in village neighbourhoods, public spaces, and festivals. These camps greatly aided the needy in taking the required safety measures.
5. Banking Services: The Andaman and Nicobar StCB rose to the challenge by offering vital banking services to the aged, physically handicapped and others through door-to-door delivery. Pensions were delivered to 16,560 retirees in 45 divisions by the workers. Seven BCs served 24 villages, resulting in 4706 transactions totalling R61.00 lack in deposits and withdrawals.
6. Other Initiatives:
 - I. During two lockdowns in the Andaman and Nicobar Islands, AMAAPCO supplied 55 tonnes of dry cattle feed. An NGO, Voice of Compassion to India (VOCI), prepared 600 litres of phenyl, 400 fabric bags, and 250 bottles of health drinks with the aid of SHG members and distributed them to COVID Warriors.
 - ii. HIV-positive people in Telangana were seriously harmed by the lockdown because they were unable to get antiretroviral therapy (ART). WORD staff members assisted the District AIDS Prevention and Control Unit in distributing antiretroviral therapy (ART) to over 750 HIV-positive people in Kamareddy and Nizamabad districts' remote villages.

TALES OF COURAGE AND COMPASSION FROM THE COVID-19 PANDEMIC AND ESHAKTI-SHG

The above quote appears to have been exemplified by our EShakti SHG members. Despite the fact that the COVID-19 virus seriously harmed SHG members' livelihoods, the pandemic and the threats it posed motivated many stories of bravery and kindness from across the world. During difficult times, SHG participants sought a deeper sense of significance and intent in life by undertaking economic activities as well. To combat the raging COVID-19 crisis, currently, millions of handmade masks, PPE kits, liters of disinfectant and sanitizers, hand wash, food products, groceries, and other useful items are in production. Both NABARD Regional Offices implementing the EShakti project are taking the lead in facilitating Above-mentioned self-help initiatives in partnership with implementation agencies, state/district administrations, and other stakeholders "COVID-19" NABARD, Stay Safe" wellbeing advice-giving SMS to all of its members, as well as the Animators employed in the sector, in an effort to exploit the EShakti network, which hosts financial, social, demographic, and Data from millions of energy self-help groups around the world. To raise awareness about preventing and curbing violence, approximately 40 lack SMS were sent in English and local languages.

ESHAKTI – EXISTING YEAR AND FUTURE

The NABARD's landmark Self Help Group Bank Linkage Programme (SHG-BLP) was founded in 1992 to provide accessible door-step banking services. The SHG-BLP Bank re-initiative was launched and has since grown into a comprehensive programme to improve rural India's economic, social, economic, and recent technical capital.

The project began in 2015 with a pilot phase in Dhule, Maharashtra, and Ramgarh, Jharkhand, and was phased in over the following years. It was extended to include 23 additional districts in 2016. Following the positive outcomes and involvement of all stakeholders in the first two stages, the pilot project was extended to another 75 districts in 2017.

Currently, the initiative spans 254 districts across 26 states and two union territories. The project uses bank, branch, and block data to collect information on established self-help groups in selected districts. Members' psychological, demographic, and financial profiles, as well as self-help community profiles, are compiled and posted on a separate website.

Digitization issues such as poor bookkeeping, multiple memberships of self-help group members and volatile credit history to each self-help group providing a ranking report to all shareholders at their home based on its financial and non-financial reports. The project runs from <https://eshakti.nabard.org>. And two Smartphone applications (EShakti App and EShakti Tracker App), allowing self-help groups and their members more openly to bank credit, while empowering them by allowing their own bank Access to accounts and other data. This is called "power", which means "Internet empowerment".

CONCLUSION

Recognizing that millions of poor people lack the means to earn a living, the micro-most economy's important mission is to eliminate poverty by creating livelihoods, and NABARD, the torchbearer of microfinance and economic inclusion, will be at the forefront of enhancing the poor's skills and capacity and facilitating livelihood promotion.

NABARD is the driving force behind the world's largest microfinance programme, the self-help group-bank linkage programme (SHG-BLP), which is driven by Savings, Women-Centered, and Self-Management. Since its inception in 1992 with 500 SHGs, the programme has grown to over one core SHGs by the end of 2020, linking over 12 crore poor households across the country.

Despite the success of SHG-BLP, which has allowed millions of SHG members to obtain savings and credit, they are not progressing to the next stage of livelihood opportunities. When the reasons were investigated, it was discovered that the participants of the self-help groups were unable to resolve not just a lack of vocational skills, but also the overall essence of the issues in sustaining a meaningful life.

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MEDP, which began in 2006 as the Micro Enterprise Development Program (MEDP), has been in existence for more than a decade. The program's main goal is to improve participants' capacity by developing appropriate skills in existing or new livelihood activities in agricultural or non-agricultural activities, as well as their knowledge of organizational management, business dynamics, and rural development.

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