

**RESOURCES MOBILIZATION THROUGH SHGs IN URBAN VILLAGES** *by Chittaranjan Dash*, Concept Publishing Company (P) LTD, New Delhi, 2012, xxvi+186, Price Rs 550 (Hardbound)

This book forms the substance of a survey research conducted in 2008 with a view to ascertain the impact of micro – finance in the context of enclave and peripheral urban villages in Delhi. The objectives of the study are: 1) to analyze the pattern of socio –economic and educational status of SHG members, 2) to investigate the economic profile of SHG members, 3) to evaluate the impact assessment of micro finance through credit and asset structure, 4) to measure the role of NGOs for implementation of micro finance, and 5) to augment the strategy for better implementation of micro finance.

In the nineties, National Bank for Agriculture Rural Development (NABRDs) pilot scheme - micro finance - was launched to bridge the gap between the demand for and supply of funds in the lower rungs of rural economy. The Indian micro finance scene is dominated by Self-Help Group (SHGs) which were formed with the initiative of NGOs with 10-20 members and work as economic unit. The phenomenal out reach of SHG-bank linkage programme has enabled an estimated 86 million poor households to gain access to microfinance (India 2011).

The data was generated through an interview schedule and participatory observations by the members of the SGHs with the help of NGO staff and local people from the enclave and peripheral villages. 110 SGHs were covered, 52 from enclave villages and 58 from peripheral villages. In all 219 group members, 104 and 115 women from the enclave and peripheral villages respectively were interviewed. The data was analyzed statistically.

The demographic status of the SHG members indicates that a majority of group members were in the age group 21-50 years. The average age of the sample members is 37.8 years, the average number of children per woman is 2.73 and the average household size is 4.9. Married women constitute 90 percent of the sample. There are also a few widows. There are unmarried members also in the enclave villages. Majority of the members have qualification of matriculation, at the same time, there are also some illiterates. A majority of the sample population has nucleus family, and own pacca houses. A majority of them were born outside Delhi. Some members came to Delhi through marriage while some others came along with their parents or husbands. About 44.29 percent of members joined the SHGs

during 2007 and 2008. The motivation to Join the SHGs was provided by NGOs, neighbors, friends and relatives. Family has least role in inducing members to join SHGs. A majority of the SHGs were of the size of 20 members.

Majority of members are home makers. In the enclave villages some members are services holders while in peripheral villages it is professional work, shop keeping, and dairy business. Less than half of the sample have annual income between Rs.30,000/- and Rs. 60,000/-. The average annual income of SHG members stands at Rs. 71,326. The peripheral village members have relatively more income. The average annual expenditure stands at Rs.60, 798. The level of surplus of SHG members comes to Rs. 10,528. The villages that are nearer to centers with civic amenities are in advantageous position than those which are farther.

Group credit plays an important role at the grass root, and its absence is a cause of concern for the society. A majority of group members have availed credit, out of which a good number of them have availed credit from intra -group. In the enclave villages, it is for social purpose, while in peripheral villages it is for social and cattle related activities. The average annual return is higher in peripheral villages than in enclave villages. In the peripheral villages some members have gone for cattle heads, while in enclave villages, the preference is for accumulation of household durable goods. A large majority of members are satisfied with the working of SHGs.

Empowerment focuses on enhancing the capabilities of the excluded groups. Empowerment process has three dimensions - economic, social and political- that support each other. Economic dimension includes access and command over tangible and intangible assets, social aspect comprises changing the existing discriminatory ideology and culture, and political front takes account of increased presence and influence in power structure. The persistent female-male gap in human development in India is definitely indicative of low status assigned to women. Towards the empowerment of women, efforts have been made by women's movement and widespread net work of NGOs, which have strong grass root presence and focus on women's concern. Micro finance programmes have the potential to transform power relations and empower the poor-both men and women. Micro financing programmes are currently being promoted as a key strategy for simultaneously addressing both poverty alleviation and women's empowerment.

In its simplest form an NGO is a body of people who come together to provide help to those who fail to accumulate sufficient resource to survive. In its most ambitious form, NGO is a private, not for profit institution dedicated to influencing the working structure of the government and ensure greater welfare of all citizens. Despite their weaknesses, NGOs have been gaining importance in services delivery and have become a prominent member of civil society. SHGs set up by NGOs with the assistance of bank linkage, ensure individual loans for women beneficiaries and individual/ joint

liability for repayment. The repayment rate is much higher in SHGs as there is no subsidy involved. There are many successful examples of micro lending programmes in rural India, but few have had focused on urban India. The experience of NGO - Model Rural Youth Development Organization (MRYDO) shows that the poor are bankable. It indicates that microcredit can be used as core instrument for empowerment of urban poor. Till now, MRYDO has been able to promote 256 SHGs covering 5120 women in different locations of Delhi. More than 150 SHGs have been linked with SBI, CBI and Allahabad Bank availing loan worth more than Rs.175 lakhs and repayment is 100 percent. The impact of SHGs has relatively been more pronounced on social aspects than on economic aspects. Emancipation of women is an essential prerequisite for economic development and social progress of the nation.

Some of the suggestions made by the study are as follows: The NABARD should enhance its scope for the urban

areas on the issues of microfinance. The SHG-Bank linkage should be enhanced, so that the timely credit requirement for the group is realized. Monitoring, supervision and timely audit should be conducted by the funding agencies in order to assess the activities carried out by NGOs towards the improvement of the SHGs.

The unique feature of the study is an attempt to see the impact of micro finance in an urban setting. Probably, it would be of interest to link micro credit with women's entrepreneurship in SHGs setting. Another area of interest is to observe the effect of micro credit on the economic conditions of SHG members before and after the availing of the credit. The book will be of interest to a wide variety of readers who want to improve the status of weaker sections of society.

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