

Development of Women Entrepreneurship Through SHG-A Case Study.

Indira Nair, Associate Professor, Smt. C.H.M. College, Ulhasnagar.

Key Words: SHG, women entrepreneur, leader, marketing.

Introduction:

India is one of the most populous countries in the world having more than 110 crores of population, women share around 50 percent to the population, 65 percent of its population lives in villages. The economic status of the women is generally poor which a matter of great concern for all of us. Women play an important role in the development of the economy. As stated by Mahatma Gandhi “Women are the noblest of God’s creation, supreme in their own sphere of activity”. In rural area women put their entrepreneurial skill in rural employed activities such as agricultural operations, sheep rearing, dairy, sale of agricultural produce. But the irony is that the economic status of rural women has not improved much and their standard of living is poor and they face the problem of gender inequality. Women have entrepreneurial potential, but due to poor financial strength they are not in a position to hone their abilities. The development of entrepreneurship among women has become an important aspect of the overall economic development. Hence, the need for designing exclusive self-employed and other development programmers for promotion of women entrepreneurship is essential.

The government has been implementing various programmers to provide self employment opportunities to unemployed youth including women like the Swarozgar credit Card Scheme, Credit Guarantee Fund Scheme for Micro and Small Enterprises. SHG play an important role in this aspect. The women led SHG is a positive proof of how to mobilize and manage thrift, appraise credit need, maintain linkage with the banks and follow financial self discipline.

A SHG consist of members not exceeding 20 and each group selects among its members a leader. The leader conducts two to three meetings each month. The group members save an amount of Rs. 50/ to Rs.200/ every month. The amount collected is rotated among the groups for various purposes at a specified rate of interest. As the default rate is less and the recycling is very fast, the saving amount increases faster owing to the accumulation of income from interest. The saving habits help the members to escape from the clutches of money lenders.

The formation of SHGs in India began more formally in 1992 with the launch of the SHG bank Linkage programme by NABARD. The main aim of the programme is to improve rural poor peoples’ access to formal credit system in a cost effective sustainable manner by making use of SHGs which cover all economically viable activities including agriculture and allied activities. The normal bank rate of interest shall be charged, varying from 9 per cent to 11 percent. On 1st July 2004, 0.25 paise interest rate came into existence i.e. around 3 per cent interest only. Project Director of District Rural development agency (DRDA) is mainly responsible for implementation of the scheme along with banks.

Objectives of SHGs:

- 1) To have sustainable access to financial services among the poor.
- 2) To have a stronger livelihood support system.
- 3) To increase the collective bargaining power of the poor.
- 4) To realize the importance of self reliance and sense of dignity.
- 5) To improve the standard of living and empowerment of poor.

Objectives of the study:

- 1) To identify the problems faced by women entrepreneurs.
- 2) To suggest strategies to strengthen the women entrepreneurship.

Research Methodology:

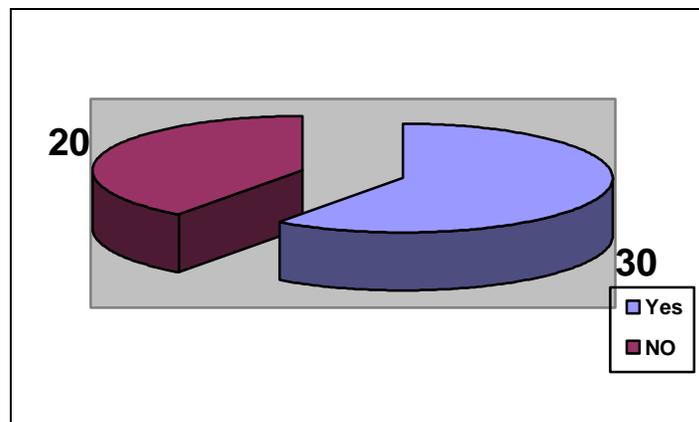
The study is based on primary and secondary data , though primary data becomes the main crux of collecting information as it will comprise the major thrust area to collect reliable , complete and first hand information. To test the objectives of the study field study was conducted wherein a combination of direct approach comprising of questionnaire aided interviews, discussions and observational techniques was followed. Primary data was collected from 50 women beneficiaries from Ambarnath area selected at random.

Secondary data was collected from books, journals, reports etc.

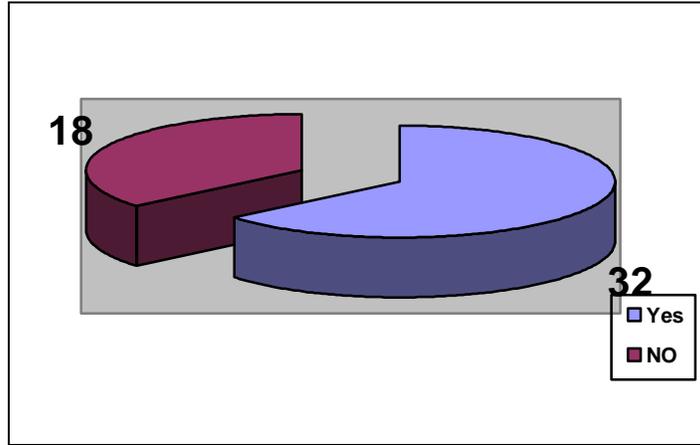
Problems Encountered by Women Entrepreneur:

Based on the survey the researcher could identify certain problems which were encountered by the women entrepreneur which were as follows

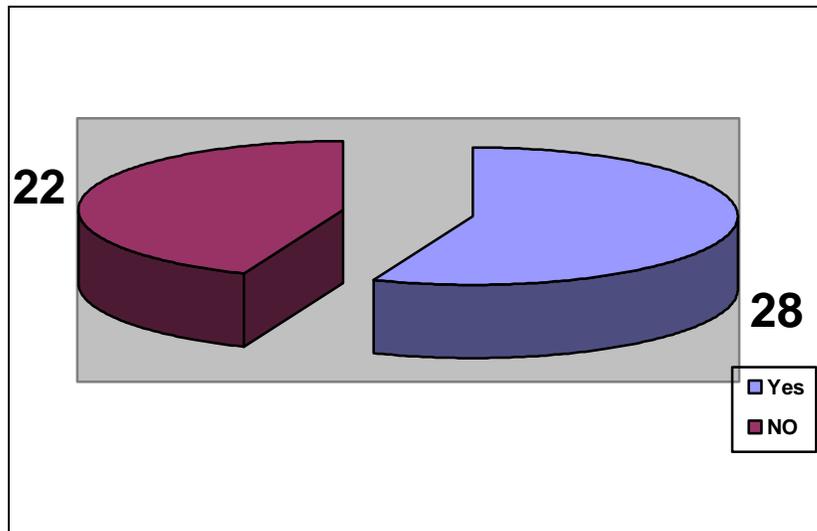
Personal Problems:



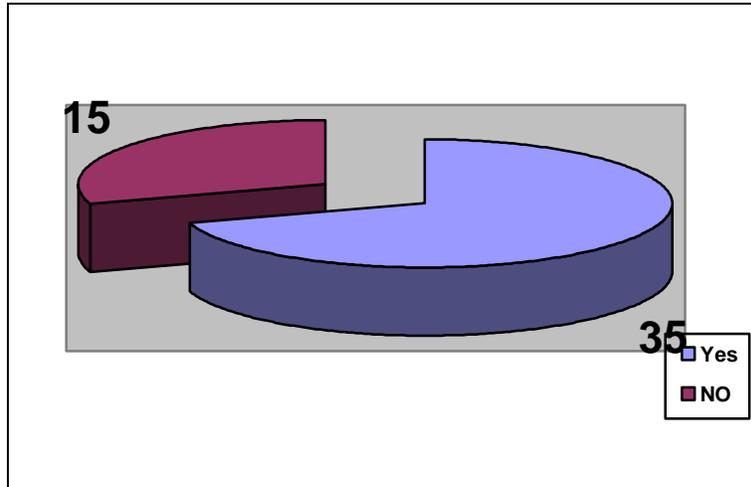
Education Problems:



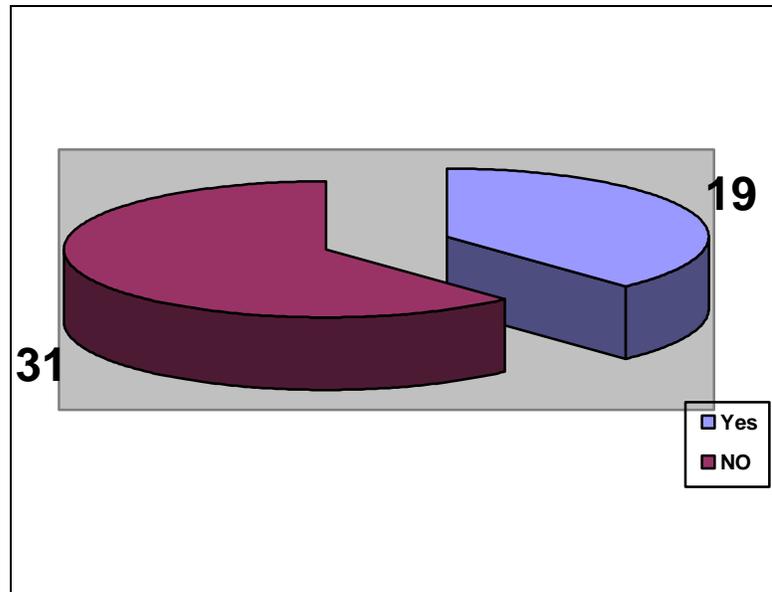
Social Problems:



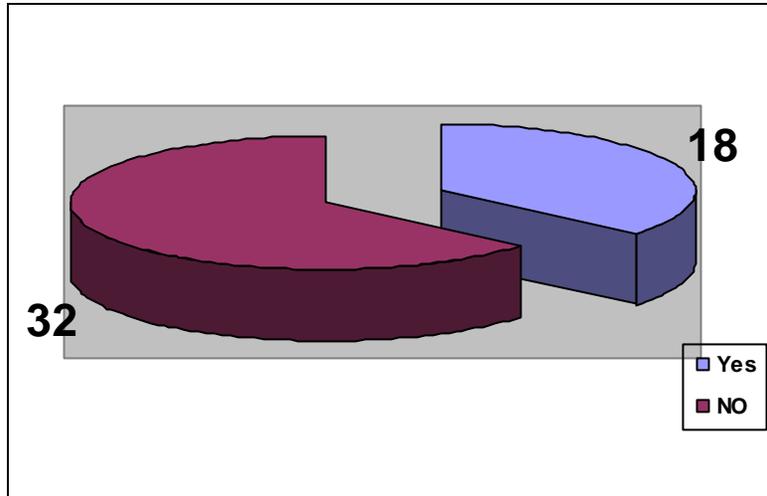
Economic and Financial Problems:



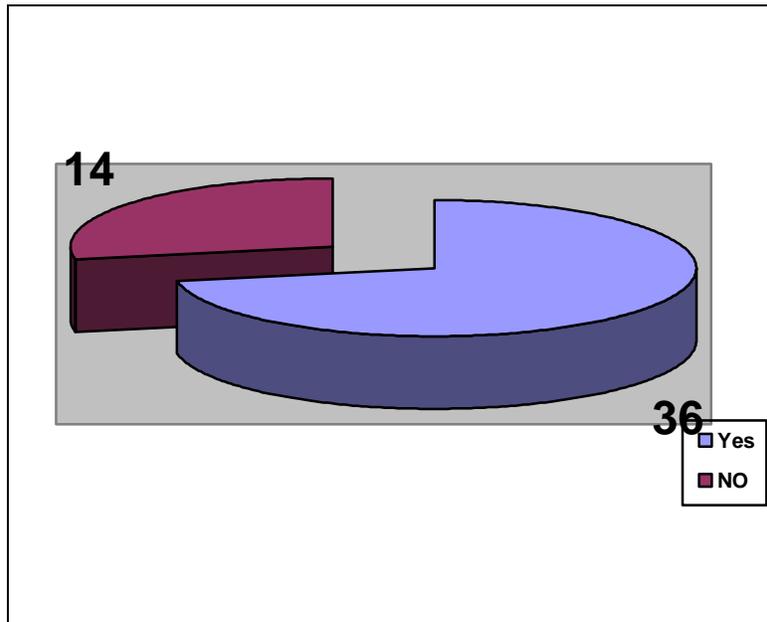
Technological Problems:



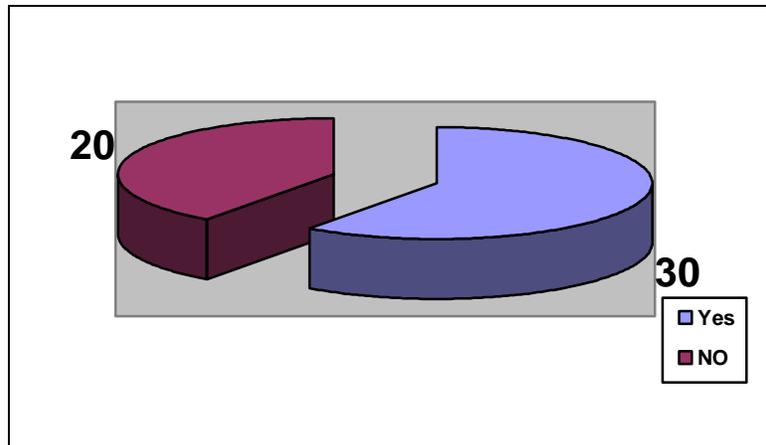
Raw Material Problems:



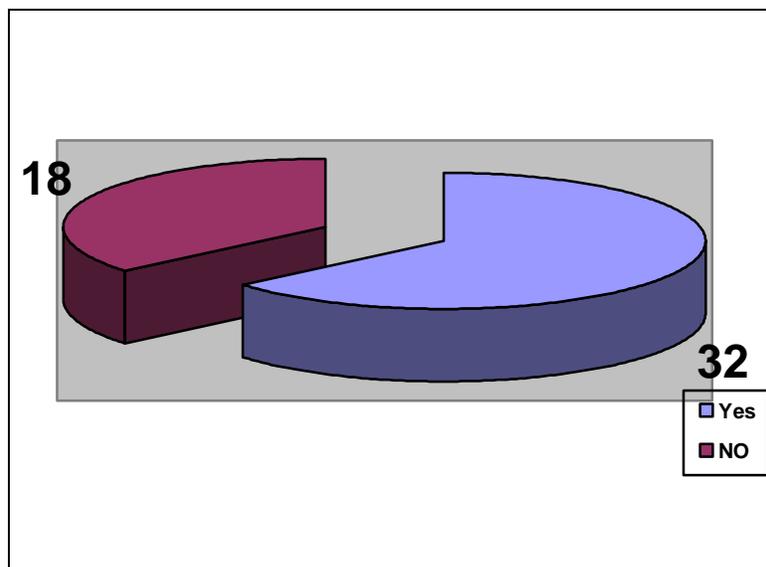
Marketing Problems:



Competition from Large Firms:



Bureaucratic Delay:



It was apparent from the analysis that large numbers of respondents (36) have reported marketing as a major hurdle. Next to marketing were economic and financial problems (35) respondents', followed by education and bureaucratic delay (32). Next hurdle stated was competition from large firms and personal problems (30), followed by social problems (28). For technical problems the number of respondents was 19. Raw material as a hurdle was cited only by 18 respondents.

Observations and Suggestions:

The awareness among women belonging to weaker sections is still limited. The major area of difficulty from women entrepreneur was found to be marketing. Hence, strategies

should be formulated to inculcate marketing skills and to enable the women entrepreneurs to sell their products with ease. Government has to make efforts for providing marketing facilities by opening up various marketing stalls and exhibitions. Banks need to extend support by offering loans at concessional rates of interest without insisting on collateral securities. The District Rural development Agency and banks have to conduct awareness programmes to improve awareness among the women especially the rural women. It is also necessary to bridge the information gap which largely influences the development of entrepreneurial skills among women. Initiatives should be undertaken by NGOs and other agencies to make the women aware and motivate them towards self-employment. The government should take special efforts to see that the drop out rates amongst the girl child is less. Once the women are educated it will enable to minimize the social and personal problems. Further, there should not be any bureaucratic delay in getting payments from government departments. If these suggestions are implemented earnestly, more women can be transformed into successful entrepreneurs and it will enable to empower them and reduce their exploitation in a male driven society.

References;

Gardon.E., Natarasan., Entrepreneurship Development, Himalaya Publishing House, New Delhi,2003.

Kabagh,Cetana., Women and Development Policies and Plan Strategies for Women's Development, Discovery Publishing House, New Delhi,1991. .

Satya Sundaram, I., Rural development. Himalaya Publishing House, New Delhi, 2002.

Aziz Ahmed, Women Empowerment, Self Help Groups, Kurukshetra, April, 1999.