

## STUDY AREA PROFILE

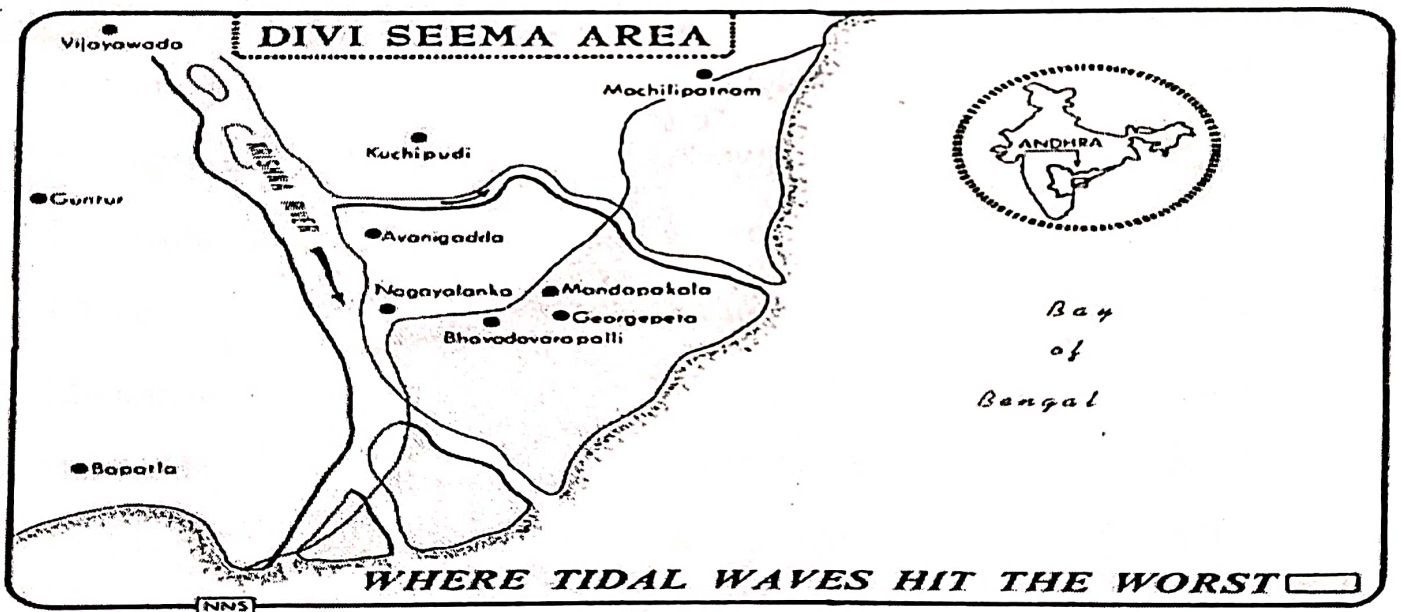
The word Diviseema translates as the *abode of the divine*.

Diviseema is obtained from the two words Deevi meaning 'island' and seema meaning 'country' or 'region' in telugu... Diviseema (pronounced as Deeviseema) means 'Region of the Island'...

### Geography

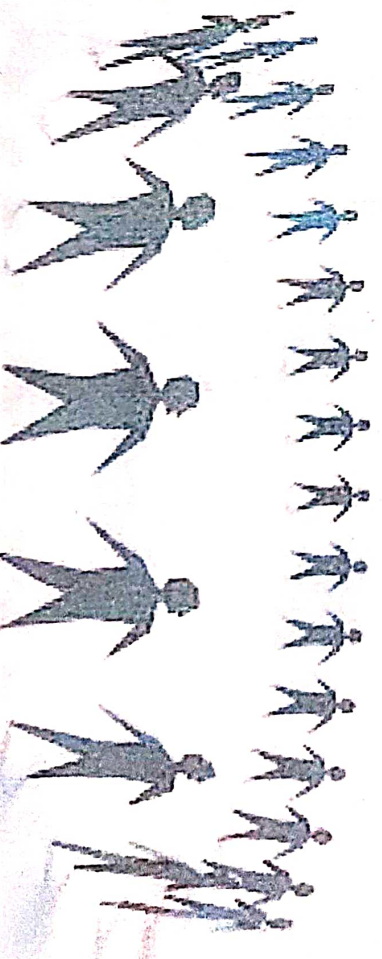
Diviseema is located in the delta area formed at Puligadda (Avanigadda), where the Krishna River is divided into two before merging into the Bay of Bengal. One merges in Bay of Bengal at Hamsaladevi (Koduru mandal) and the other near to Gullalamoda (Nagayalanka mandal).

It is a fertile low lying plain interspersed with Krishna river and its distributaries. It is irrigated by canal irrigation drawn from Prakasam Barrage at Vijayawada. The confluence of Krishna River and Bay of Bengal at Palakayatippa is a weekend getaway and also a pilgrimage center. Towards the sea, Diviseema has rich mangroves and is notified as Krishna Wildlife Sanctuary.





# Self Help Group



improvement in their living conditions. This also leads to errors in accounting and mismanagement of the funds.

- **Lacks security:** SHGs are mostly not registered. They are run based on the trust between the members. The savings made by the SHG members may not be safe, which brings in mistrust between the members.

## 8 The measures are taken by the government to make SHGs more effective

The government plays a crucial role as a facilitator for the SHGs. There are various government schemes dedicated to the promotion of the SHGs. Some of them are as follows:

- Swarn Jayanti Gram Swarajgar Yojana (SGSY): It seeks to form SHGs and develop the skills of its members to promote self-employment in rural areas.
  - This program evolved to be a national movement in 2011 to become the National Rural Livelihood Mission.
  - National Rural Livelihood Mission (NRLM) is the largest poverty alleviation program in the world.
  - It was launched by the Ministry of Rural Development in 2011.
  - It was succeeded by Deendayal Antyodaya Yojana (DAY) in 2015.
  - This scheme covers 100 million families through 8.5million SHGs.
  - These SHGs have a total deposit of Rs.161 billion.
  - 84 million SHGs received collateral-free credit of which 88% are rural women.
  - There is an outstanding loan of over Rs.615 billion. The NPAs of the credit is 6.5%.
  - This is much lesser than the total NPAs of the Indian Banks – 10.2%.
  - In the Union Budget this year, the government allowed an overdraft up to Rs.5000 to every verified woman SHG member who has Jan Dhan Bank account.
  - Also, one woman in every SHG will be allowed a MUDRA loan up to Rs.1Lakh.
  - SHG-Bank Linkage Programme
- **Expanding SHG Movement** to Credit Deficient Areas of the Country - such as Madhya Pradesh, Rajasthan, States of the North-East.
  - **Rapid expansion of financial infrastructure** (including that of NABARD) and by adopting extensive IT enabled communication and capacity building measures in these States.
  - **Extension of Self-Help Groups to Urban/Peri-Urban Areas** – efforts should be made to increase income generation abilities of the urban poor as there has been a rapid rise in urbanisation and many people remain financially excluded.
  - **Positive Attitude** – Government functionaries should treat the poor and marginalized as viable and responsible customers and as possible entrepreneurs.

## Suggestions

- SHGs are seen as drivers of rural development. However, the living conditions in rural areas remain underdeveloped.
- The government must take a pro-active role in the promotion of the SHGs at the grass-root level.
- Constant monitoring of the SHGs is the need of the hour. A separate government body to monitor the functioning and the progress of the SHGs can make it more successful.
- New financial mechanisms based on the individual needs of the particular area is also essential for the SHGs to achieve their aims and objectives.
- Therefore, the private banks and National Banks for Agriculture and Rural Development (NABARD) in cooperation with the local governing bodies must ensure that the financial inclusion is provided at the ground level – based on the diverse needs of rural India.

## Conclusion

The core SHG philosophy is in ROLE OF SHGs through increasing employability, self sufficiency and inculcating a habit of saving among the rural women. Empowerment in micro-credit will inevitably involve a significant change in attitude, change in work practices and challenging vested interests. For women's empowerment to be addressed, women need to be enabled to define their priorities and demand their rights. Micro finance can be an effective strategic instrument for poverty alleviation only if it used for income generating microenterprise development. Self Help groups as per the research is successful in rural areas, especially among women. These programs have uplifted the rural woman economically and socially in the society. Women are an integral part of the economic development of the country, therefore the government should give equal importance to the women contributors and their well-being in the society.