

## Saving performance of SHG in Namakkal district, Tamil Nadu

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### ABSTRACT

SHG is dynamic concept which makes an impressive and essential part in the field of socio-economic development of the rural people. In India, concept of SHG was formulated in the year 1989 due to the massive success story in Bangladesh. Tamilnadu is one of the well developing states in the country, which records fruitful achievements in socio-economic developments. First SHG with 15 women members was formed in Dharmapuri district in 1989, and now there are 4,50,651 SHG. The performance of the SHG is measured only with the help of the savings performance. Therefore, every SHG should be very careful about their savings performance to perform effectively and provide better service to their members.

**Key words :** SHG, Saving performance

SHG is dynamic concept which makes an impressive and essential part in the field of socio-economic development of the rural people. In India, concept of SHG was formulated in the year 1989 due to the massive success story in Bangladesh. It helps to promote the welfare of the weaker section of the society particularly women, SC/ST, down drawn people etc. SHG enables to make the people as empowered through entrepreneurship, participation in local governance and utilisation of the welfare programme of the Government. SHG is spread all over the country with efficient administrative mechanism.

### SHG in Tamil Nadu:

Tamilnadu is one of the well developing states in the country, which records fruitful achievements in socio-economic developments. First SHG with 15 women members was formed in Dharmapuri district in 1989, and now there are 4,50,651 SHG including 19,885 youth SHG with 65,20,000 women members. There are 2,85,775 SHG in rural and 1,23,926 SHG in urban part of Tamilnadu.

Savings of the SHG were recorded Rs. 2322 crore and Rs. 5338 crore given as credit to the SHG in the year 2009. During the year 2009-10, there are 2683 SHG were benefited through revolving fund scheme. In the year 2008-09, all India bank credit to 10, 81,000 SHG with Rs 11,132 crore. In Tamilnadu alone Rs.2184 crore loan sanctioned to 2,30,485 SHG. It recorded 21% of the total bank credit to Tamilnadu.

As per the Indian Bank report Rs.1865 crore sanctioned to 2,64,825 SHG at all India level. In Tamilnadu alone, Rs.1159 crore sanctioned to 1,75,000 SHG in the

year 2008-09. It recorded 62% of the Indian bank loan to Tamil Nadu only.

Some of the reviews have been collected from various published sources which helped to understand the background knowledge of previous studies about the SHG in general (Ashoka *et al.*, 2005). Women empowerment depends upon the success of women development programmes in terms of women SHG (David *et al.*, 2005). SHG movement has made an impact on the lives of a number of individuals and communities, there are many pockets of societies which have not been involved in the movement (Ganasamuthy *et al.*, 2006) and the position of the women before and after the SHG after the formation they are economically viable and the living status has improved (Reddy, 2006). Micro finance through SHG has developed over the past several years as an effective tool to combat poverty, especially in rural areas, and bring about development. Sharma, 2006 compared the socio-economic conditions of members in the pre-and post SHG situations and the members have improved the business turnover in the post SHG situations and in turn the net income. According to Stephen and Selian (2005) NGO can play a decisive role as an effective delivery mechanism in rural development they have innate advantage to involve people and ensure their participation in the agencies and fellow NGO is added advantage to them.

### Objective

The objective of the study is to measure the formation of SHG and to analysis the saving performance of SHG in Namakkal district.

### METHODOLOGY

The present study is descriptive in nature and it is

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