

Financing Shgs and Role of Rashtriya Seva Samithi (Rass): An Analytical Review

Dr.K.Nagaraja Naidu¹, Dr.P.V.Narasaiah²

¹Junior Lecturer in Commerce (Vocational), Govt.Junior College (Boys), Pakala, Tirupati Dist.-517112, A.P

²Professor, Department of Commerce, Sri Venkateswara University, Tirupati – 517501, AP

ABSTRACT

RURAL WOMEN in India constitute a significant part of the total population of the country and their backwardness is one of the major handicrafts in the path of country's progress. In the rural society characterized by deep rooted, age old-sex discrimination, economic oppression and social stratification of women have occupied a place much below the men generally, it can be stated that the status and dependence of the women in any society is closely connected with their economic position. The economic dependence, therefore, is the main cause for the inferior place of women in the society. The economic contribution women is related to their status and role in the family and in the society. If woman is economically a parasite, she can never claim an equal status with men and become omnipotent.

Micro finance plays a stupendous role in improving the economy of the SHS members. The role of NGOs like RASS goes a long way in improving the socio – economic conditions of down-trodden women. Through micro finance, RASS has been a doing a commendable job in empowering women. It would be a centre to identify some more income generating activities especially for women in rural areas.

Against this backdrop the present paper examines the role of (RASS) (NGO) in financing SHGs from different angles. An analysis relating to SHG-wise, activity- wise, type-wise, branch-wise loans, deployed by RASS in financing SHGs. The paper is of immense use in understanding the financing pattern of RASS and also enable to arrive at concrete inferences so as to make the RASS more effective in its activation.

INTRODUCTION

RURAL WOMEN in India constitute a significant part of the total population of the country and their backwardness is one of the major handicrafts in the path of country's progress. In the rural society characterized by deep rooted, age old-sex discrimination, economic oppression and social stratification of women have occupied a place much below the men generally, it can be stated that the status and dependence of the women in any society is closely connected with their economic position. The economic dependence, therefore, is the main cause for the inferior place of women in the society. The economic contribution women is related to their status and role in the family and in the society. If woman is economically a parasite, she can never claim an equal status with men and become omnipotent. Till recently, women under the Indian rural set up were not able to actively participate in income generating economic activities due to historical and socio-cultural reasons. Illiteracy, low level

of skills, lack of access to training and credit facilities coupled with lack of entrepreneurship, indirect contribution to family economy, restricted mobility and the like were some of the contributing factors. The insignificant economic status of women in the rural society resulted in their continued economic dependence on male members. They had poor access to financial support from formal institutional sources. Hence, empowerment of women is the need of the hour.

PROGRESS OF MICRO-CREDIT THROUGH SHGS IN INDIA

A pilot project for linking SHGs with banks was launched by NABARD in 1992. The Reserve Bank of India persuaded Commercial Banks, Regional Rural Banks and Cooperative Banks to actively participate in the linkage programme. Under the RBI's guidelines, banks were given permission to open saving bank account in the name of SHG, and relaxation of security requirements. Thus, an informal credit system was evolved with assistance from formal financial institutions. The agencies involved in the schemes were NABARD, Banks, NGOs and SHGs members.

The chief objectives are

- To act as supplementary credit to SHGs
- To make reductions in transactions cost for both banks as well as SHGs by reducing paper work.
- To mobilize small savings among poor rural women.
- To build mutual trust and confidence between Banks, NGOs and rural poor
- To create healthy relations between SHGs members and linking agencies, and
- To ensure constant supervision and monitoring by banks through NGOs.

In March 1999, about 0.56 million families engaged in micro enterprises which were financed under the scheme through 33000 SHGs (of which 84% were women SHGs. In all 202 banks consisting of 129 (64%) RRBs 38 (19%) Commercial Banks and 35 (17%) Cooperative Banks participated in the programme. A total of 550 NGOs were involved. The aggregate loan outstanding was Rs. 570 million. The average loan outstanding per SHG and per micro entrepreneur worked out to Rs. 17297 and Rs. 1019 respectively. The average number of micro entrepreneurs per SHG is 19. The number of SHGs linked to banks has increased to 7,17,360 as on March 31,2003.

Recently, the government of India has launched "Swarnajayanti Grameen Swarozgar Yojana" (SGSY) by merging all the poverty alleviation programmes. The SGSY envisaged the routing credit preferably through SHG conduits. The earlier programmes like IRDP (Integrated Rural Development Programme) that provided credit at low rates of interest along with subsidy failed because of lack of incentives in the form of repeat loans and also because of absence of poor pressure from group members. Further, in SGSY credit is one of the ingredients that contribute to the success of micro entrepreneurs.

The success actually depends on variety of other factors, like level of education, social customs, family planning, health, medical services and environment technology. Among these education acquires the top rank and therefore government should use DE technique to impart knowledge at grass root level. The distance education technique is women friendly. It will be clear when us look at some success stories in some states of Indian Union.

Major Players in Micro – Finance System

Micro-finance programmes are considered to be an important institutional devices for providing small credit to the rural poor in order to alleviate poverty. Micro-finance programme through SHGs, NGOs minimize the problem of inadequate access of banking services to the poor. The key players in micro-finance are:

- NABARD (National Bank for Agricultural and Rural Development)
- Reserve Bank of India
- Self Help Groups (SHGs)
- Non-Government Agencies (NGOs)
- Micro-Finance Institutions (MFIs)

ROLE OF NGOs IN MICRO FINANCE

Among the above players in the micro finance system, the most exciting player is NGOs, play a catalytic role in micro credit. The study is intended to focus on Rashtriya Seva Samithi (RASS) with head quarters at Tirupati, Andhra Pradesh, is recognised as the largest and most significant NGO in the state of A.P

RASHTRIYA SEVA SAMITHI (RASS)- A PROFOLE

RASS was established in 1981, with registered office at Tirupati, Andhra Pradesh RASS (Rashtriya Seva Samithi) operates in three states i.e Andhra Pradesh, Orissa, Tamil Nadu. RASS is currently implementing 32 different developmental programmes with the funding support from Government of India and International donor agencies. The emphasis of most of these developmental programmes is on women and child development. It has a programme presence in over 3540 villages / habitations. In about 55 villages, it has undertaken a package of integrated development services. The experience of RASS with women empowerment programmes through Micro credit is ten years old, but fairly intensive. It has promoted the concept of micro credit and self-help, women around the women of disadvantaged sections through Community Based Organizations (CBOs) and micro credit. This experiment soon proved to be a phenomenal success in creating awareness on gender related issues; besides generating the savings of the poor women for meeting their credit needs. The initial success in women empowerment programmes has led RASS to propagate the concept, by organising awareness programmes, and performing consultancy and advisory work. Thus in 1994 RASS took up the responsibility of organising training, workshops, and meetings for the stake holders who are involved in women empowerment programmes

Growth of RASS

In the early years, RASS confined itself to the Rayalaseema region for its core operational ventures. In Rayalaseema, Chittoor district was chosen as the priority area in 1981 since, they were hardly any NGOs working for the community at the time, in this district. Also, the few NGOs which were working had confined themselves to institutionalized welfare activities rather than extension activities. At the beginning, RASS had three programme activities which were carried out by a small band of 15 workers, in 8 villages, covering a population of Rs.0.003million. Today, RASS has a fairly large administrative infrastructure and logistic support system. The massive office cum training complex of RASS with a carpet area of 32000 sq.ft is in the central part of the Tirupati town. Designed to accommodate the central administrative office, challenged children's school, micro-finance federation, capacity building institution, special education, training centre, human resource development centre and training cum production centre for women centered activities, PRA unit and research unit. In addition, RASS has acquired a chain of community / training centers at Pichatur, Papanaidupet, Chittoor, RASS Vanasthali, Sahaya Gram and Karveti Nagar, where integrated school, vocational training, community based programmes, micro credit meetings and awareness building activities are conducted on a regular basis.

RASS - Area of operations

The core area of operation of RASS includes the districts of Cuddapah, Anantpur, Kurnool and Chittoor. The initial activities of RASS were concentrated in Chittoor district, which accounts for an estimated population of 4.3 million. Subsequently, these activities were spread to other districts of Rayalaseema. Over a period of eighteen years, RASS has been successful in building up a large administrative infrastructure and reaching out to the rural poor in the backward areas within Andhra Pradesh and in the States of Orissa and Tamil Nadu. Because of its involvement in multi-faceted activities, several funding agencies at the national and international level have shown interest and confidence in RASS. Starting with three program activities in eight villages with 15 staff members, RASS has acquired the status of a national level organisation.

Presently, RASS has its operations in the states of:

1. Andhra Pradesh – Covering Chittoor, Kadapa, Ananthapur, Visakhapatnam Dist
2. Tamil Nadu- Covering the Tiruttani Block of Thiruvallur District
3. Odisha – Nandapur Block of Koraput District RASS is currently implementing about 21 different projects aiming to serve nearly a million people without any profit motto

OBJECTIVES

The chief objective of RASS was to adopt such a strategy, which would bring into fold the poor in the development process. The RASS, has been striving hard in achieving the following objectives:

- Involvement of poor in the entire process of development from planning to monitor.
- Identification of priorities by the poor themselves.
- Empowerment of women as a key to self-sustained development of the poor.
- Provision of community infrastructure as an essential precondition for self sustained growth.
- Development of agriculture and related activities using local knowledge and local resources apart from modern techniques to reduce the incidence of poverty and unemployment.

The RASS considers the following four interventions as crucial for the poor to reach the stage of social consciousness and empowerment.

- Human resource development (by way of massive education, skill up gradation, health services, safe drinking water, sanitation etc. for the disadvantaged groups).
- Economic development (through propagation of modern agriculture and technology, family based asset creating activities and waste land development)
- Attitudinal changes (to promote greater gender equality, self-reliance and environmental sensitivity)
- Self-management and momentum (for the promotion of saving and credit, community management of infrastructure, leadership and self-help).

INSTITUTIONAL FRAMEWORK FOR FINANCIAL ASSISTANCE TO RASS

The following departments / institutions have been providing financial assistance to the RASS.

- Ministry of Social Justice and Empowerment, Government of India
- Ministry of Health and Family Welfare, Government of India
- Department of Education, Ministry of HRD, Government of India
- Ministry of Women and Child Welfare, Ministry of HRD, Government of India
- Central Social Welfare Board, Government of India

- Indian Council of Agriculture and Research (ICAR), Government of India
- CAPART, Ministry of Rural Development, Government of India
- Rashtriya Mahila Kosh, Government of India
- National Medicinal Plant Board, Government of India.
- National Bank for Agriculture and Rural Development (NABARD)

Funding Agencies Associated with RASS

- Rashtriya Mahila Kosh (RMK)
- Small Industries Development bank of India (SIDBI)
- National Bank for Agriculture and Rural Development (NABARD)
- Andhra Bank
- Canara Bank
- AXIS Bank
- HDFC Bank
- The Dhanalakshmi Bank Ltd
- State bank of India

International organizations

- CCF - Christian Children's Fund
- Aide-et-Action
- Action Aid
- Help Age International, UK
- Help Age India
- ILO-APSBP
- AWO, Germany
- CARE, India
- UNFPA
- Save the Children, UK

FINANCING SHGs BY RASS - AN ANALITICAL REVIEW

Today, RASS has a fairly large administrative infrastructure and logistic support system. The massive office cum training complex of RASS with a carpet area of 32000 sq.ft is in the central part of the Tirupati town. Designed to accommodate the central administrative office, challenged children's school, micro-finance federation, capacity building institution, special education, training center, human resource development center and training cum production centre for women centered activities, PRA unit and research unit. In addition, RASS has acquired a chain of community / training centers at Pichatur, Papanaidupet, Chittoor, RASS Vanasthali, Sahaya Gram and Karveti Nagar, where integrated school, vocational training, community based programmes, micro credit meetings and awareness building activities are conducted on a regular basis.

SELF-HELP GROUPS - AN INSTRUMENT OF ECONOMIC EMPOWERMENT**Concept of SHG**

Self – Help Group (SHG) is a small voluntary association of poor people, preferably from the same socioeconomic background. They come together for the purpose of solving their common problems

through self-help and mutual help. The SHG promotes small savings among its members. The savings are kept with a bank. This common fund is in the name of the SHG. Usually, the number of members in one SHG does not exceed twenty.

The concept of SHG is based on the following principles:

- Self-help supplemented with mutual help can be a powerful vehicle for the poor in their socioeconomic development;
- Participative financial services management is more responsive and efficient;
- Poor need not only credit support, but also savings and other services;
- Poor can save and are bankable and SHGs as clients, result in wider out reach, lower transaction cost and much lower risk costs for the banks;
- Creation of a common fund by contributing small savings on a regular basis;
- Flexible democratic system of working;
- Loaning is done mainly on trust with a bare documentation and without any security;
- Amounts loaned are small, frequent and for short duration;
- Defaults are rare mainly due to group pressure; and
- Periodic meetings to monitor non-traditional savings.

Micro finance programmes are currently being promoted as a key strategy for simultaneously addressing both poverty alleviation and women's empowerment. Before 1990s, credit schemes for women were almost negligible. There were certain misconception about the poor people that they need loan at subsidized rates of interest on soft terms, they lack skills, capacity to save, credit worthiness and therefore are not bankable. Nevertheless, the experiences of several and SHGs reveal that rural poor are actually efficient managers of credit and finance. Availability of timely and adequate credit is essential for them in their enterprises rather than subsidies. Earlier government efforts through various poverty alleviation schemes for self-employment by providing credit and subsidy received little success. Since most of them were target based involving various government agencies and banks.

FINANCING SHGs BY RASS - AN ANALYSIS

A modest attempt is made to analyse the financing pattern of RASS in extending financed assistance to SHGs during the period 2019-20 to 2023-24

The financial disbursement of RASS for SHGS during 2005-06 to 2012-13 has been shown in the Table. 1.

Table-1: Financing SHGs by RASS during the period from 2019-20 to 2023-24 (Rs.in Lakhs)

S. No.	Year	Total Core Fund	per cent Increase Decrease	No of SHGs Covered	per cent Increase/ Decrease	Total No. of members	per cent Increase/ Decrease
1	2019-20	1144.01	-	5125	-	65686	-
2	2020-21	1396.25	18	6004	15	69582	6
3	2021-22	1415.87	1	5820	-3	65549	-6
4	2022-23	1363.22	-4	5776	-8	64140	-2
5	2023-24	1395.09	2	5977	3	67655	5

Source: Compiled from the records of Rashtiya Seva Samithi,(RASS), Tirupati.

During the year 2019-20, the total core fund value was recorded at Rs.1444.01 lakhs, while the number of Self-Help Group (SHG) groups stood at 5,125. In the following year, 2020-21, the core fund value was reported at Rs.1396.25 Lakhs While the core fund value saw an 18 per cent increase, the number of SHG groups rose to 6004 reflecting a 15 per cent growth. This suggests that although the core fund experienced significant growth, the increase in SHG groups was comparatively lower.

Likewise, in 2023-24, the core fund value reached Rs.1395 crore, registering only a 2 per cent increase. The number of SHG groups grew to 5977, showing a modest 3 per cent rise. This trend indicates that the surge in SHG memberships during 2019-20 was likely due to the impact of COVID-19, which forced many individuals to join SHGs as a means of securing financial stability and meeting household needs. Additionally, the total SHG membership count in 2020-21 was 69582. However, by 2021-22, this number declined to 65549, reflecting a 6 per cent decrease. In contrast, by 2023-24, the membership increased to 67655, marking a 5 per cent rise compared to the previous year (2022-23).

As seen from the table Income Generation loans on higherside indicated by table -2. The percentage of finance is ranged from 34 to 37 percent. This is the largest repayment compared to other type of loans deployed by RASS. The next place is occupied by Consumption loans by SHGs Type wise Breakup of loans The break of loans deployed by RASS has been furnished in the table -2

Table-2: Type -Wise Breakup of Loans Deployed by RASS (Rs.in Lakhs)

S N o	Type of Loan	2019-20		2020-21		2021-22		2022-23		2023-24	
		No of Mem bers loans	Disburs ement Amount Rs.	No of Mem bers loans	Disburs ement Amount Rs.	No of Mem bers loans	Disburs ement Amount Rs.	No of Mem bers loans	Disburs ement Amount Rs.	No of Mem bers loans	Disburs ement Amount Rs.
1	Income Generat ion Loans	10639	422.24 (35)	8224	369.80 (37)	11138	646.82 (37)	8703	505.46 (34)	11842	780.31 (36)
2	Consu mption Loans	9119	361.92 (30)	4252	184.54 (19)	6721	380.25 (21)	7093	405.04 (27)	8720	527.71 (24)
3	Asst Creatio n Loans	2736	108.57 (9)	2556	113.71 (11)	4531	260.96 (15)	3310	201.93 (13)	4563	314.83 (15)
4	Repay ment Loans	3952	156.83 (13)	4016	187.80 (19)	4729	292.73 (17)	3383	213.92 (14)	4684	329.01 (15)
5	Agricul ture Loans	3952	156.83 (13)	3268	140.19 (14)	3215	188.15 (11)	3040	174.31 (12)	3446	213.13 (10)
	Total	30398	1206.42 (100)	22316	9960.50 (100)	30334	1768.91 (100)	25529	1500.66 (100)	33255	2164.99 (100)

Source: Source: Compiled from the records of Rashtiya Seva Samithi,(RASS), Tirupati.

The agricultural loans formed 13 per cent of the total followed by the asset creation loans 9 per cent and re-payment loans 13 per cent. The loans disbursed by RASS increased from year to year from Rs.1206.42 lakhs in 2019-20 to Rs.2164.99 lakh by the end of the year 2023-24. The income generation loans captured in loan's share in the total deployment of loans by RASS. The main reason is that many petty traders are included in these categories and they fetch lucrative income to the borrowers.

Branch - wise Break up

The details with regard to branch- wise break- up of SHGs, their members are portrayed in table.3.

The branch network of RASS appears to be large in terms of number of SHGs, their members and loan deployment. The Mahila Pragati Tirupati branch occupies the first place in respect of SHGs and their members followed by Mahila Vikas, Tiruttani and Mahila Vani Sri Kalahasti. It could be observed that among the eight branches, Mahila Pragathi branch, Tirupati occupies the first place, in respect of no of SHGs and their members followed by Mahila Vikas, Tiruttani. The SHGs no is increased from year to year over the period of study.

The performance of activity – wise Breakup are given in table-4

Activity- wise- Break- up

There are different activities undertaken by women beneficiaries. It could be observed from the table.4, that during the years 2020 to 2024, more than 20 activities have been identified as prominent where women participation is more. It is observed that majority of the women beneficiaries are involved in Milk Business activity. The women engaged in Milk Business are 2375.45 in the year 2024 accounting for more than 10.43 per cent of the total active borrowers involved in various activities. Lucrative income is the main factor encouraging women towards Milk Business. Next to Milk Business, Candle making, Vegetable Shops, Tailoring, Dolls making, Retailing Shops, Embroiding, Beauty parlor and miscellaneous like street vendors, collection of waste iron materials etc., are said to be the prominent activities attracting women towards borrowing from RASS. The number of active borrowers is more in these activities, compared to the other activities. But it is also necessary to stimulate the borrowers to be active in the other activities which are also potential for income generation.

Branch wise Break of Loans

The information relating to branch wise break up of loans disbursed by the RASS has been shown in the Table 3

Table-3: Branch Wise Break up of RASS

Sl. No.	Name of the Branch & Place	2019-20		2020-21		2021-22		2022-23		2023-24	
		1		2		3		4		5	
		No of SHGs	Total Members	No of SHGs	Total Members	No of SHGs	Total Members	No of SHG	Total Members	No of SHG	Total Members
1	Mahila Pragathi Tirupati	2870	37908	2857	36223	2828	34488	2894	35121	2987	37234
2	Mahila Bharathi Papanaidupeta	391	4405	389	4325	385	4231	389	4195	394	4246
3	Mahila Vani Sri Kalahasti	655	7690	625	7104	562	6371	534	6249	607	7350

4	Mahila Kranthi, Puttur	543	6518	527	6232	505	5851	48 5	5581	50 4	5931
5	Mahila Vikas, Tiruttani	666	9165	650	8799	612	8008	42 5	5461	39 2	5011
6	Raitu Pragathi, (Bhakarapet,Nagari,Pap anaidupeta)	NA	NA	755	4829	768	4821	87 8	5557	91 6	5784
7	Street Vendors (Tirupati)	NA	NA	38	289	1	7				
8	MJMBT (Karkambadi)	NA	NA	163	1781	159	1772	17 1	1976	17 7	2099

Source: Compiled from the records of Rashtiya Seva Samithi,(RASS), Tirupati,
NA: Not Available

Table-4. Activity- Wise Break up of SHGs Financed By RASS from 2020 to 2024

S. No	Name of the Activity	2020	2021	2022	2023	2024
1	Retailing Shops	919.40	944.42	1262.14	1071.82	1354.73
2	Brick Making	262.67	271.12	360.61	357.20	455.18
3	Tailoring	1050.75	1080.48	1442.45	1120.25	1820.64
4	Vegetable Shops	1182.09	1215.54	1622.76	1139.45	2050.12
5	Dairying	919.40	945.42	1262.14	1061.01	1351.00
6	Tea & Tiffin center	394.03	405.18	360.61	521.35	682.74
7	Beauty Parlor	262.67	540.24	901.53	714.25	900.12
8	Leaf Making	131.34	135.06	360.50	179.65	225.25
9	Auto Purchase	262.80	270.12	360.45	351.22	456.36
10	Printing Shops	131.34	135.06	355.12	179.01	230.47
11	Centering Items	262.67	270.12	370.22	345.24	451.32
12	Book Binding	131.34	134.06	320.12	178.60	220.25
13	Grinders	262.67	270.12	315.45	340.12	465.32
14	Computer Institute	262.67	270.12	345.65	349.12	452.85
15	Photo Lamination	131.34	135.06	300.12	179.35	230.58
16	Dolls Making	919.40	946.42	1268.25	1082.30	1355.12
17	Pots Making	788.06	810.36	1152.65	1020.35	1253.25
18	Milk Business	1576.12	1620.72	2163.68	1607.73	2373.73
19	Embrading	919.40	945.42	127.25	1024.11	1352.45
20	Candle Making	1182.09	1215.54	1612.15	1105.25	2051.25
21	Mislenious	1182.09	945.45	1766.82	3936.26	3026.03
	Total	13134.34	13506.03	18030.67	17863.64	22758.76

Source: Compiled from the records of Rashtiya Seva Samithi,(RASS), Tirupati

Table-5. Branch - Wise Breakup of Active Borrower
(Rs.in Lakhs)

Year	Mahila Pragathi Tirupati	Mahila Bharathi Papanaidu peta	Mahila Vani Srikalahasti	Mahila Kranthi Puttur	Magalar Thittam Tiruttani	Raithu Pragathi(Bhakarapet, Nagari, Papanaidu peta)	MJM BT (Karakambadi)	Total
2019-20	34112 (59.07)	3714 (6.43)	6608 (11.44)	5634 (9.76)	7682 (13.30)	-	-	57750
2020-21	30371 (52.65)	3545 (6.15)	5763 (9.99)	4994 (8.66)	6874 (11.92)	4829 (8.37)	1306 (2.26)	57682
2021-22	29324 (54.96)	3508 (6.57)	4988 (9.35)	4243 (7.95)	5100 (9.56)	4821 (9.04)	1371 (2.57)	53355
2022-23	30769 (56.29)	3471 (6.35)	5106 (9.34)	4288 (7.85)	3811 (6.97)	5557 (10.17)	1651 (3.02)	54653
2023-24	33024 (56.82)	3514 (6.05)	5470 (9.41)	4846 (8.34)	3613 (6.22)	5784 (9.95)	1872 (3.22)	58123

Source: Compiled from the records of Rashtiya Seva Samithi,(RASS), Tirupati

The branch- wise- break-up of active borrowers shown in table.5 reveals that the Mahila pragathi, Tirupati is said to be the main branch of RASS having good number of active borrowers compared to the other branches. The percentage of active borrowers in this branch ranges in between 52.65 and 59.07. Next to this branch, Magalar Thittam, Tiruttani, Mahilavani, Srikalahasti rank second and third places respectively. On the whole the number of active borrowers increased from year to year up to 2023-24. Afterwards, it declined till the end of the year 2023-24. This signals the need for exercising tight control over the branches so as to increase the number of active borrowers in each and every branch.

Table-6. No of Active Borrowers financed by RASS

Year	Total No of Borrowers (Members)	Active Borrowers	per cent of Active borrowers
2019-20	65686	57750	87.92
2020-21	69582	57682	82.89
2021-22	65549	53355	81.39
2022-23	64140	54653	85.21
2023-24	67655	58123	85.91

Source: Compiled from the records of Rashtiya Seva Samithi,(RASS), Tirupati

The percentage of active borrowers to total numbers of borrowers financed by RASS registered fluctuating trends during the period from 2019-20 to 2023-24 as shown by the table.6.

The active borrowers are those who repay the loans within stipulated time. This type of borrows is very much required for maintaining the financial health of any organisation. But the situation in RASS is not

satisfactory. It may be observed from the table that the percentage of active borrowers to total borrowers was 87.92 per cent in 2019-20. Afterwards it declined to 83.26 in 2020-21 and 82.89 in 2021-22. By the end of the year 2023-24, the active borrowers as percentage to total borrowers improved marginally and regarded at 85.91 per cent. It is apparent from the table that the number of active borrowers and their percentage to total borrowers of RASS registered decreasing trend most of the times. This is so alarming that RASS need to improve the number of active borrowers by effective control mechanism, otherwise the financial condition may be adversely affected.

CONCLUSION

To conclude, micro finance plays a stupendous role in improving the economy of the SHGs members. The role of NGOs like RASS goes a long way in improving the socio – economic conditions of down-trodden women. Through micro finance, RASS has been doing a commendable job in empowering women. It would be a centre to identify some more income generating activities especially for women in rural areas. A separate vigilance cell need to be operated in the premises of RASS. There is a dire need to provide skill development training programmes like handcraft, weaving, carpentry, poultry, bees farming, fashion design, garment making, vegetable farming and other agriculture and non- agriculture training. In addition, women with special skills have to be given priority in lending micro credit. These measures can certainly make the role of RASS more effective in lending to SHGs and make them omnipotent.

REFERENCES

1. Annual Reports and other records of RASS, Tirupati
2. V. Jayachandra Chairman, Mizoram Rural Bank, status of micro finance in India 2022-2023
3. Rakesh Kashyap Chairman Andhra Pragathi Grameena Bank, Atmanirbhar Mahila - Atmanirbhar Bharat 2022-2023
4. NABARD, Micro Credit Innovations Department (2016), "Status of Microfinance in India 2015-16", Mumbai, NABARD. This is referred to as MF-Status 2016.
5. Kumar P. (2021). Repayment of microfinance: A study of Varanasi district (Bank linked model).
6. Karmakar, K.G., "Micro-Finance in India" SAGE Publications, New Delhi, 2010.
7. Mreadeala, E. and Kashyap, V., "Micro-Finance Institutions" Concepts and Experience, ICPAI Books, The ICPAI University Press, Hyderabad, India, 2005.

REPORTS

1. The Directory of Microfinance Institutions, (MFIs) in India-2022.
2. The Bharat Microfinance Report 2023.
3. Directory of Microfinance Institutions (MFIs) in India, March 31, 2022

WEBSITES

1. www.google.com
2. www.rass.org.in
3. www.ngos.gov.in
4. www.nabard.co.in
5. www.rmknic.in