
THE IMPACT OF MAVIM ON THE DEVELOPMENT OF WOMEN ENTREPRENEURSHIP

Shivani Rajale Patil

*Assistant Professor, Department of Management Science, Dr. B.A.M.U.
Aurangabad

Balita C. Khillare**

**Research Scholar, Department of Management Science, Dr. B.A.M.U.
Aurangabad

Abstract

This paper reviews, the current level, pattern of access to finance for rural poor and examines some of the key micro finance approaches in India, taking a close look at the most dominant among these, the Self Help Group (SHG) Bank Linkage initiative.

The Self-Help Groups in Andhra Pradesh have accessed Bank loans to a tune of Rs.1200crores in 2004-05 and a target of Rs. 2200crore has been set for 2005-06. The Self-Help Groups has demonstrated a very high repayment record (more than 95 percent). Andhra Pradesh accounts for 40 percent of the total funds given to Self-Help Groups through banks.

Micro-Credit in recent years remains an extremely empowering tool for millions of poor people. The basic thrust is credit, thrift, and investment in micro enterprise for socio-economic emancipation of poverty and inequality. In the process, various stakeholders are involved for delivering the services for promotion of financial inclusion and poverty eradication. In our studied area MAVrM is the principal stakeholders promoting SHG in Maharashtra in general and Parbhani district in particular. It is therefore, essential to understand the functioning and management of

human resources involved for growth of their potentialities for better application of micro credit program.

According to Getaneh (2006) SHG is a development scheme, which works on the principles of self-regulation, mutual help and co-operation. He adds that SHGs members create their own capital through regular savings currently emerging in Ethiopia. The scheme provides saving and credit services which stimulates members' self help capacity resulting in social and economic empowerment as a resource for poor families, especially women.

NABARD defines SHGs as "small, economically homogeneous affinity groups of rural poor, voluntarily formed to save and mutually contribute to a common fund to be lent to its members as per the group members' decision". A Self-Help Group consists of 10 to 15 women from the same village which may be registered or unregistered. It naturally comprises a group of women having homogeneous social and economic conditions all willingly coming together to save regular small sums of money, mutually in accord to contribute to a common fund and to meet their crisis needs on the basis of communal help.

Introduction

After Independence women have achieved remarkable success but current momentum offers huge scope for bringing about real changes in women's lives by economic empowerment. Microfinance have evolved over the past quarter century across India into various operating forms and to a varying degree of success. One such form of microfinance has been the development of the self help group. The result from self help groups (SHGs) are promising and have become a focus of intense examination as it is moving to be an effective method of women empowerment. MAVIM (i.e. Mahila Arthik Vikas Mahamandal) supports and co-operate to these SHGs in various ways. Since time of independence more than 70% women's economic position is not so good in the country. Only few institutions are

working for economic empowerment and MAVIM is one of those institutions. Improving women's economic opportunities is also key to poverty reduction and economic growth of nation.

Objectives of the Study

The study is based on secondary data which is collected from the published reports of RBI, NABARD, Census Surveys, SSI Reports Newspapers, Journals, websites, etc. The study was planned with the following objectives.

1. To evaluate the factors responsible for encouraging women to become entrepreneurs.
2. To Study the impact of financial assistance of government for women to become entrepreneur.
3. To study the policies, programs, institutional network and the involvement of support agencies in promoting Women Entrepreneurship.
4. To critically examine the problems faced by Women Entrepreneurs.

Methodology

This study is descriptive research and based on Secondary Data only. The data for this study is collected through books, magazines, journals, & research articles.

Scope of Study

This study is focused only on the role of MAVIM in women empowerment. This study is focused only on the role of SHG product in the rural market.

MAVIM (MahilaArthikVikasMahamandal)

MahilaArthikVikasMahamandal (MAVIM) is the state women's Development Corporation of Government of Maharashtra, established on the 24th February, 1975

on the occasion of International women's year. MAVIM has been declared as a nodal agency by Government of Maharashtra on 20th January 2003 to implement various women empowerment program through self-help groups (SHG's).

MAVIM (MahilaArthikVikasMahamandal) is implementing development programs in all 36 Districts of Maharashtra, including Mumbai sub urban areas. The headquarter of MAVIM is based at Mumbai and MAVIM has offices of every district to implement developmental scheme in rural areas. The District Coordinating officer (DCO) is the executive head of district office and assisted by Assistant District coordinating officer, Account officer, Assistant Monitoring officer, clerks in addition to around 30-40 Sahyoginies who act as field workers in the field. Each Sahyogini from and support around 30 -40 SHG's and cover 8-10 Villages in the districts and She is responsible to provide the basic capacity building training inputs to SHG members depending upon their age and level of maturity and also nature them qualitatively.

Women's Empowerment a Global process. We all will agree that women empowerment is not a program or project but it is a gradual process. In the process of empowerment a women is enabled to think and plan about the development of her own self and gradually about her own family and her community, to take initiate in the decision making processes, and also to execute the decisions in her own way untimely to achieve the developmental objectives.

Mission of MAVIM

The mission of the corporation is to "bring about gender justice and equality for women, investing in human capital and the capacity building of women, thus making them economically and socially empowered and enabling them to access sustainable livelihoods".

MAVIM Working Towards Progress

On behalf of the Government of Maharashtra, the MahilaArthikVikasMahamandal (MAVIM) has taken up the cause of overall development of women half the part of our society. MAVIM has taken tireless efforts for over a decade to initiate, expand and establish the self-help group movement in Maharashtra. The progressive Government of Maharashtra has always supported the causes of women's empowerment and has from time to time devised supportive policy mechanisms and assure them that even in the future the Government will continue to support them.

The Shramshakti Report of the national commission on 'self-employed women and women in the Informal Sector' (1988) emphasizes on the need for a mediating body between the self-employed poor women and financial institutions. This calls for the setting up of organizations like MAVIM as their focus is on working at the grass root level for poor women. They are in a better position than banks to understand the characteristics of local markets and clients due to their intimate functioning with poor women. Such organizations can serve an important influence on the access of financial services to low income group households. Improved access to savings can help reduce these households' exposure to external shocks and can help to ease out their cash flows.

MAVIM, the Women Economic Development Corporation was founded on 25th February 1975 with the aim of encouraging women to be financially independent and self-reliant. Initially, it functional through seven regional offices in Pune, Aurangabad, Nashik, Amravati, Nagpur, Thane and Mumbai. During the period its activities were mainly confined to introducing a few commercial schemes for women. During the period from 1994 to 2002 an important program, the Maharashtra Rural Credit Program (MRCP) was implemented. The Maharashtra Rural Credit Program is a poverty alleviation program supported by the International fund for Agricultural Development.

After careful study of the program, its usefulness and success, the Board of the Directors of MAVIM took a bold decision in September 2001 that MAVIM would cease to do trading activity, but would concentrate only on women's empowerment program based on self-help groups. Considering the expertise acquired by MAVIM in the area of SHG formation, MAVIM was given recognition as the apex body for women's development by Government of Maharashtra by its Resolution No: MAVIM -20m/lalka -la, dated January 20, 2003. MAVIM established its offices in all the districts of the state .MAVIM has been declared as a Nodel agency by Government of Maharashtra on 20th January 2003 to implement various women Empowerment programs through Self-Help Groups (SHG's). Head quarter of MAVIM is based in Mumbai. MAVIM has offices in every district of Maharashtra to implement developmental schemes for women in rural areas. From 1975 to 1994 MAVIM was implementing programs directed towards promotion of self-employment among women with a view to ensuring their economic development.

From 1993 to 2002, the corporation implemented the Maharashtra Rural Credit Program (MRCP) through the medium of Self-Help Groups (SHG's). This proved to be a significant milestone in the corporation's experience, which led to the need for the expanding a movement for women's empowerment through the effective medium of Self-Help Groups. The recognition of MAVIM emerged from this process.

Silence Features of the reorganization of MAVIM

The corporation was reorganized according to GR No: MAVIM -2001/10/ka-10 WCD Dept., dated 20/01/2003. THIS decision has historical significance in the functioning of MAVIM. Following decisions were taken offer the reorganization of MAVIM

- 1) It was decided that MAVIM should close down all trading activities and take up only those connected with women's development.

- 2) MAVIM was declared as the 'apex body' for undertaking varied activities for women's development like initiating self-help groups, diverse training programs for women, forging market linkages and other related support services for women's products etc.
- 3) It was decided that all departments of government would design their programs to benefit self-help groups and hand over the programs to MAVIM for implementation. These Departments would make available funds to the tune of rs.10,000/- per self-help group for three years for the development of SHGs. The social Justice Department had made a provision of rs.20.25 Crores for three years and entrusted MAVIM with the task of building 20,250 savings groups.
- 4) The district-wise expansion of MAVIM was approved and 246 posts were sanctioned for the head office and the district offices together.
- 5) It was also decided that from 2002-2003 MAVIM would be given an administrative grant of up to one crore of rupees per year according to its needs.
- 6) A decision was also taken to make available to MAVIM share capital according to its needs.

The Boards of Directors of MAVIM was expanded to include to include the Secretaries or the representatives of the secretaries of the planning, Rural Development, Social Justice and Tribal Development Departments, as ex-officio Directors (MAVIM performance Report 2000-2003).

In fact time has come when women empowerment in world should be considered something more than the usual activities involved with providing small scale project loans to women or which supports small-scale business activities to help women acquire money and the imagined power of money cannot act as a magic wand and wish away overnight the social norms, institutions and relationships that are part of

our lives and which are primarily responsible for the wide scale discrimination and bias against women. Poverty reduction is not the beginning and the end of women empowerment in world. We need to acknowledge that it is just one of the major goals.

Factors responsible for encouraging women to become entrepreneurs

The modern Indian women is no longer in a need-based environment necessarily. Taking the lead in entrepreneurship now is a matter of choice and they are no longer restricting themselves to certain sectors but their skill and ingenuity span across sectors-from conventional sectors like food processing, agro-products, handicrafts and textiles, women entrepreneurs are now venturing across sectors like real estate development. Yet some key challenges faced by them as

1. Talent
2. Culture
3. Technology
4. Capital
5. Market

Impact of financial assistance of government for women to become entrepreneur

Access to finance refers to the applicant's ability to obtain credit, savings, and insurance services quickly and easily. As a results, eligible women entrepreneurs who perceive and use financial institution credit services are considered to have access to funding. Financial literacy assists individuals in making financial choices. Financial literacy, according to collection of financial knowledge, financial awareness, financial skill, attitude, and behavior that a person must possess in order to make sound financial choices and attain financial well being.

Policies, programs, institutional network and the involvement of support agencies in promoting Women Entrepreneurship.

Women Entrepreneurship refers to increasing the spirial, policies. From the policy perspective, the study a great need for development of the policy instruments that may support female entrepreneurship, Female entrepreneurs.

Problems faced by Women Entrepreneurs

Problems of Finance

Firstly, women do not generally have property on their names to use them as collateral for obtaining funds from external sources. Thus, their access to the external sources of funds is limited. Secondly, the banks also consider women less credit-worthy and discourage women borrowers on the belief that they can at any time leave their business. Given such situation, women entrepreneurs are bound to rely on their own savings, if any and loans from friends and relatives who are expectedly meager and negligible. Thus, women enterprises fail due to the shortage of finance.

Scarcity of Raw Material

Most of the women enterprises are plagued by the scarcity of raw material and necessary inputs. Added to this are the high prices of raw material, on the one hand, and getting raw material at the minimum of discount, on the other.

Staff Competition

Women entrepreneurs do not have organizational set-up to pump in a lot of money for canvassing and advertisement. Thus, they have to face a staff competition for marketing their products with both organized sector and their male counterparts. Such a competition ultimately results in the liquidation of women enterprises.

Limited Mobility

Unlike men, women mobility in India is highly limited due to various reasons. A single women asking for room is still looked upon suspicion. Cumbersome exercise involved in starting an enterprise coupled with the official's women compels them to give up idea of starting an enterprise.

Family Ties

In India, it is mainly a women's duty to look after the children and other members of the family. Man plays a secondary role only. In case of married women, she has to strike a fine balance between her business and family. Her total involvement in family leaves little or no energy and time to devote for business. Support and approval of husbands seen necessary condition for women's entry into business. Accordingly, the educational level and family background of husbands positively influence women's entry into business activities.

Low Risk-Bearing Ability

Women in India lead a protected life. They are less educated and economically not self-dependent. All these reduce their ability to bear risk involved in running an essential requisite of a successful entrepreneur.

Programs Based on the concept of SHG

IFAD assisted Maharashtra Rural Credit Program (MRCP) was implemented by MAVIM during 1994-2002. The program has been proved successful in the term of providing an access to credit, information and knowledge to poor rural women. It facilitated MAVIM to reorient its strategies for women's empowerment and MAVIM had taken a revolutionary decision in September 2001 that not be implement any commercial schemes and to take up only the implementation of women empowerment programs through. After 68 years of independence women have achieved remarkable success but current momentum offers huge scope for bringing about real changes in women's lives by economic empowerment.

Microfinance have evolved over the past quarter century across India into various operating form and to a varying degree of success. One such form of microfinance has been the development of the self-help groups (SHG's). The result from SHG's are promising and have become a focus of intense examination as it is moving to be an effective method of women empowerment, MAVIM.(i.e. Mahila Arthik Vikas

Mahamandal) supports and co-operate these SHG's in various ways. Only few institutions are working for economic empowerment of women and MAVIM is one of that institutions. Improving women's economic opportunities is also key to poverty reduction and economic growth of nation.

Conclusion

The modern Indian women is no longer in a need-based environment necessarily. Taking the lead in entrepreneurship now is a matter of choice and they are no longer restricting themselves to certain sectors but their skill and ingenuity span across sectors-from conventional sectors like food processing, agro-products, handicrafts and textiles, women entrepreneurs are now venturing across sectors like real estate development. Firstly, women do not generally have property on their names to use them as collateral for obtaining funds from external sources. Thus, their access to the external sources of funds is limited.

In India, it is mainly a women's duty to look after the children and other members of the family. Man plays a secondary role only. In case of married women, she has to strike a fine balance between her business and family. Her total involvement in family leaves little or no energy and time to devote for business. Support and approval of husbands seen necessary condition for women's entry into business. Accordingly, the educational level and family background of husbands positively influence women's entry into business activities.

The program has largely achieved the outreach targets related to SHG, Village Level Committees and Community Managed Resource Centers (CMRCs) mobilization. Cumulative performance of Tejaswini as at 29 February 2016 includes supports to 70,623 SHGs with a total membership of 9,46194 households, 8,851 VLCs and 310 CMRCs. About 86% and 63% of eligible MAVIM promoted SHGs and RNGO promoted SHGs respectively have bank loans compared to the national average of

50% overall, the program has exceeded targets for linkage with a cumulative disbursement of Rs.11,400 million; which is 165% of the appraisal estimates

MAVIM promoted SHGs and RNGO promoted SHGs respectively have bank loans compared to the national average of 50% overall, the program has exceeded targets for linkage with a cumulative disbursement of Rs.11,400 million; which is 165% of the appraisal estimates.

The credit portfolio of MAVIM supported SHGs is the best in industry with on-time repayment rate of 98%. ICICI Bank's efforts to provide loans to the extent of 79% of the total Rs.3,258 million disbursed to MAVIM supported SHGs during 2015-16 need special mention. For its effective work on empowerment MAVIM has been duly recognized by Niti Ayog which has included two of MAVIM's case studies into its Resource Book on Social Security Service Delivery published in 2015. MAVIM team has also won the Asia Region Gender Award from IFAD/,Rome.

However, MAVIM's Performance in implementing livelihood activities has been deeply constrained due to inadequate release of funds during the last two years. Despite its capacity to fully rollout the Micro-Livelihoods plans, MAVIM has been able to cover only 5% of the total SHG members. In the absence of timely flow of funds, MAVIM accessed convergence funding from other departments to the tune of Rs. 640 million for implementing livelihoods activities but this is not sufficient to cover all needs.

REFERENCES

1. Mena, V. (2012) women Self-Help Groups profiles from Andhra Pradesh and Karnataka, Kurukshetra.
2. Prahalad R. (2007). Empowerment of women in India. Social welfare.
3. Drucker, Peter. F, "Innovation and Entrepreneurship: practice and Principles", London, Heinemann.
- 4 Tejaswini: Maharashtra Rural Women's Empowerment Programme supervision Mission

- 5 Roth J.(2003), "Enabling knowledge creation: Learning from an R&D organization", Journal of knowledge Management, Vol.7, PP. 32-48.
- 6 Hansen, M., Nohria, N., and Tierney, T. (1999),"What's your strategy for meaning knowledge?" Harvard Business Review. Vol.77,PP.106-116.
- 7 Saurabh Kumar (2009),"New Dimension of Empowerment,"professional Banker, Vol. 9,No,PP.25-29.
- 8 Vinayamoorthy A and Pithoda Vijay (2007) , "women Empowerment through SHG: A case study in North Tamil Nadu", Indian Journal of Marketing, Vol. 37,No.11.
- 9 MurlidharA.Lokhande, (2013), " Micro Finance for women Empowerment - A study of Self-Help Groups -Bank Linkage programme ", International center for Business Research Issue: