

WELCOME TO ECONOMICS CLASS

SUBJECT : ECONOMICS

CHAPTER: MONEY AND CREDIT

PERIOD: 8

**SUB-TOPIC-Formal and informal sector of credit: who gets what?
Self-help group**

CHANGING YOUR TOMORROW
STD-X

WHAT WE EXPECT TO LEARN?

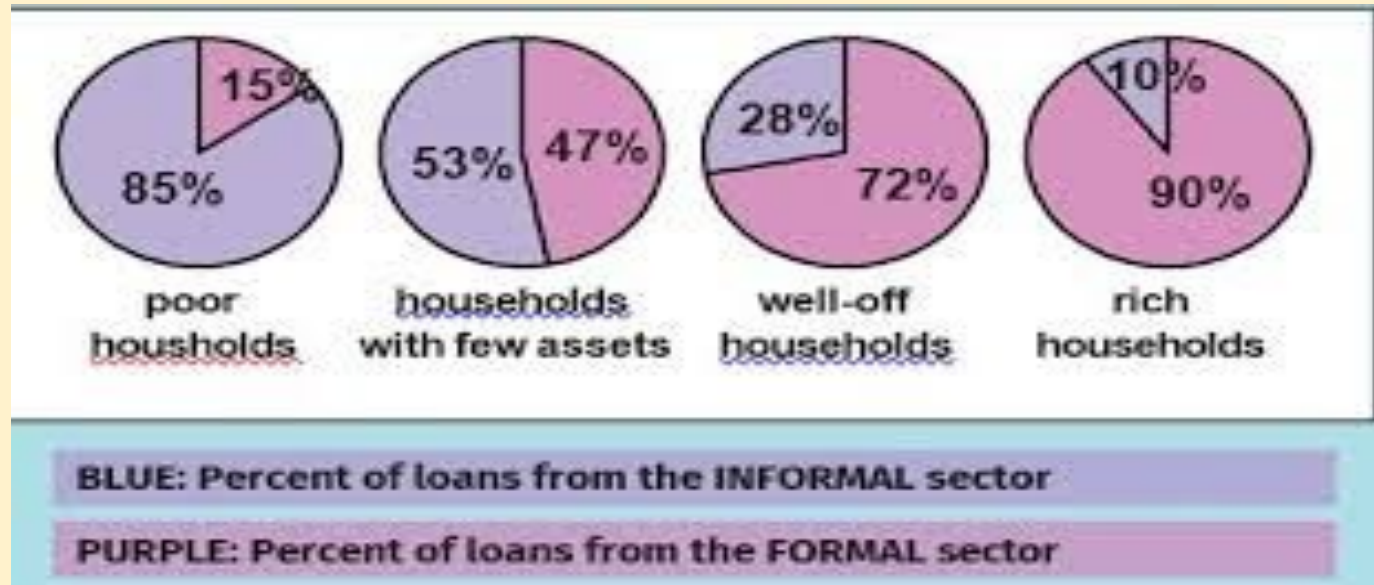
1. The student will come to know that actually which category of households get benefit for formal sources of credit.
2. They also will come to know why the poor households are deprived from the benefit of formal sources of credit.



Recapitulation of the previous class

1. Which organisation supervises the work of formal sectors of credit in India?
2. What percentage of loan provided by the commercial banks of India?
3. Differentiate between formal and informal sources of credit.
4. Cheap and affordable credit is crucial for country's development. comment.

Formal and Informal Credit: Who gets what?



1. **85%** of the loans taken by **poor households** in the urban areas are from informal sources.
2. Urban households take only **10%** of their loans from **informal sources**, while **90%** are from **formal sources**.



Self-Help Group
Awareness Month
JANUARY

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ODM 
EDUCATIONAL GROUP
Changing your Tomorrow

प्रधानमंत्री का स्वयं सहायता समूहों की महिलाओं से संवाद



हर सेक्टर में महिलाओं की भागीदारी अहम

RStv
RAJYA SABHA



**NABARD to Support Women
Self Help Groups**

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Creating a Self Help Group

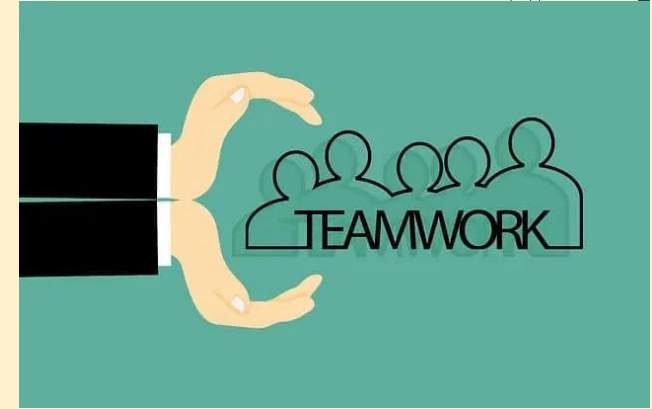


SHG is a registered or unregistered group of micro entrepreneurs having homogeneous social and economic background, voluntarily coming together to save small amount regularly, to contribute a common fund and to meet their emergency needs on mutual help basis. Ten persons are selected, one each from a BPL family to form a group which is expected to implement following code of conduct like Assigning name to the SHG, Regular meetings in a Democratic way, Open exchange of thoughts in these meetings, Participation in the Decision Making process, Bank Account in the name of the SHG and Selecting a President and Secretary from the SHG.



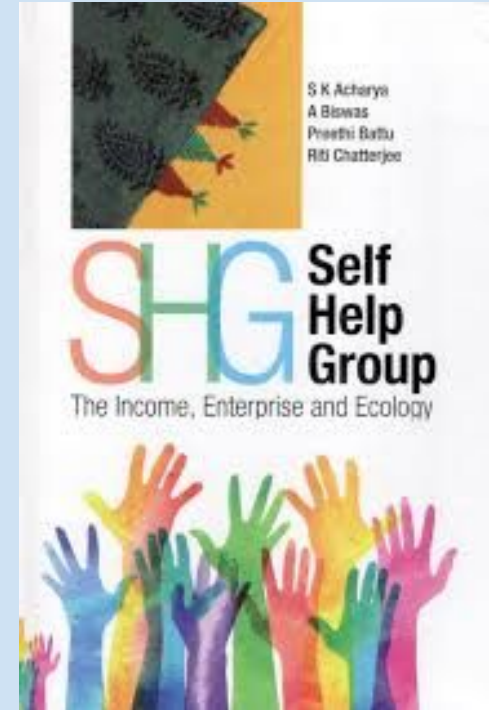
FUNCTIONING OF SELF-HELP GROUP

- 15-20 members
- Neighbours who meet and save regularly
- Saving Rs. 25 to 100 (varies per member)
- Grants small loans to members
- Does not ask for collateral
- Any non-repayment is seriously followed up by other members



OBJECTIVES OF SELF-HELP GROUP

- To create sensitive forum for addressing needs of people
- To enhance participation
- To inculcate saving habits in community
- To enhance capabilities of women
- To generate sense of collective action
- To improve socio-economic status



Home assignment

LET'S WORK THESE OUT PAGE NO- 50

1. What are SHGs?
2. help in pooling the savings of their members, who are poor women to meet their credit needs.
3. The share of formal sector credit is for the richer households as compared to the poor households in India.
4. What are Self-Help Groups? Describe in brief their functioning including their aim and importance.
5. Discuss the role played by Grameen Bank of Bangladesh in improvement of the condition of the poor particularly women.

THANKING YOU
ODM EDUCATIONAL
GROUP

