

A Study on the Importance of Self-Help Groups in India

Mr.kulwant Kumar
Research scholar, sssutms

Dr.Kanchan shrivastava
Professor, sssutms, sehora

Abstract

Self help group (SHG) program is an even minded way to deal with ill destitution. It is started as an independent work program in the language of destitution destruction gauges just as strengthening program in the nation. With the end goal of bring more helpless women under this program to make them engaged strategically, socially and monetarily. In any case, the advancement of Women Self Help Groups (SHGs) is exceptionally delayed regarding its number, participation, gathering of assets and size of payment of assets among recipients. There is a critical need of powerful endeavors from all sides to make the advancement cycle of SHGs solid and supportable in India

Keywords: SHGs, Income Generating Activities, Microfinance.

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I. Introduction

Since the commencement, individuals have shaped gatherings with other people who have something in common with them and persecuted individuals have combined to defeat the boundaries they face, self improvement gathering is about individuals meeting up with other influenced by specific issues to help one another and to cooperate to change impediment influencing them. The exercises that the gatherings perform incorporate network instruction, data and common help.

Further, the non-execution of the formal monetary framework to give to the rustic poor, our conventional portion especially involving little, indigenous SHGs is doing some sparing and loaning exercises on the small size, SHGs and nearby monetary mediators have increased wide acknowledgment in non-industrial nations, in Asia where their quality is very unavoidable.

The women' structure a gathering of around twenty individuals, the gathering development cycle might be encouraged by non-legislative association or by the miniature money establishments or bank itself, or it might advance from a customary holding reserve funds and credit gatherings or other privately started gathering. The cycle of formal linkage to a microfinance organizations or bank generally experiences the accompanying stages, which might be spread over numerous years or which may happen inside a couple of months.

- The SHGs individuals choose to make customary reserve funds commitments these perhaps kept by their chosen head in real money, or in kind, they might be banked.
- The individuals begin to acquire separately from the self improvement gatherings, for their motivations on terms and at financing costs chose by the gathering themselves.
- Self help groups claims an investment account, in gatherings name, with the bank or microfinance organization, for such assets as may not be required by individuals, or to fit the bill for a credit from the bank.
- The bank or microfinance organizations makes a credit to the self improvement gatherings, for the sake of the gathering, which is then utilized by the gathering to enhance its own assets for on loaning to it individuals.

QUALITIES OF SHGS

- They generally make a typical asset by contributing their little reserve funds consistently.
- The groups develop an adaptable arrangement of activities frequently with the assistance of the non-government associations and deal with their regular pooled assets in popularity based way.
- Groups consider credit demands in periodical gatherings, with contending claims on restricted assets being settled by agreement with respect to more noteworthy requirements.
- Loaning is predominantly based on common necessities and trust with least documentation and with no unmistakable security.
- The sum advanced are little, incessant and for brief length.

- Rate of premium fluctuate from gathering to assemble contingent on the reason or credit and are regularly higher than those of banks yet lower than those of cash moneylenders.
- Periodical meeting, other than gathering cash, arising country, social and financial issues are examined.
- Defaulters are uncommon because of gathering's weight and activity information on the end utilization of the credit as likewise of the borrower's monetary assets.

PAY PRODUCING EXERCISES OF SHGS

Coming up next are simply the pay creating exercises help gatherings:

- Agriculture related (seed duplication, honey bee keeping, nursery raising and so on
- Small retail business/general store
- Brick making
- Live stocks turn of events
- Cattle feed deals
- Bicycle mechanics shop
- Milk acquirement and preparing
- Clay-pot making
- Leaf plate paper making
- Floor plant and grain shop
- Carpentry, ironsmithing, employing
- Garment shop
- Raw sugar
- Beauty cantina
- Fruit/vegetable conservation and handling
- Motor employing

II. Importance Of The Study

Mahatma Gandhi says "women are the noblest of God's creation". Truly lady is the incredible instructor ever; home is her school and relatives are her understudies. Lady has been applauded as Goddess. In the yester year she was circled by the shackles of subjection. She had no opportunity of decision and to profit the chances. So women' liberation, women advancement and women strengthening are the need of great importance wherever in the cutting edge time. Self improvement through Mutual Help the coherent idea was at first evolved by women. In male ruled society, women have no cash or type of revenue for their own consumptions or to spend on their own decisions.

To conquer such troublesome circumstances, women in provincial and mechanical territories structure the gathering of likeminded same class women from a similar territory. These women use to set aside some piece of cash given to them by the family head for month to month family unit use. They contribute so spared sum to the basic asset of the gathering. They draw the lottery and fortunate victor can get the asset liberated from revenue. The so-got asset could be reimbursed as month to month commitment to the regular asset. Such asset from the gathering would assist the women with meeting their own uses or to buy decorations or to spend for the improvement of her youngsters. Such gathering use to comprise of 10-15 individuals. Individuals from the gathering use to contribute their investment funds month to month; use to meet month to month for standard draw of lottery at somebody part's home. In the light of women strengthening the turn of events and development of SHGs is basic in the India in this way the current examination has been take to discover the realities identified with their turn of events and development.

III. Review Of Literature

NABARD started SHG program in Karnataka in 1986-87. Further it was broadened nation wide in 1991-92. In this unique situation, the then boss Minister of Karnataka Shri.S.M.Krishna started the SHG development through Department of Women and Child Development under its Stree-Shakti Scheme in October 2000 for annihilation of destitution especially in provincial zones. The SHG program was dispatched in all the 30 regions and 175 talukas of the State.

SHG development has obtained more than one target to reduce neediness in rustic zones and furthermore to enable women especially the country and semi-metropolitan people." According to Raj (2006), "SHGs are the ground-breaking media to take care of a considerable lot of the issues of provincial India, for example, expulsion of destitution, improvement of way of life, the advancement of country economy, strengthening of women and building popularity based method of living." I also support the perspectives on both Prof Paul A Rego and Sudhir Raj that The SHGs have been assuming indispensable function in accomplishment of doled out objectives.

About SHG, Rego (2006) states "The SHG development in India, particularly in the states like Tamil Nadu, has grown up and however men can likewise shape themselves into SHGs, the term has become equivalent word with women gatherings.

Panda (2009) made a semi test plan under which the objective gathering was contrasted and a chose control bunch over a bunch of family factors like pay, resources positions, reserve funds, utilization, business, proficiency and movement. A multistage arbitrary testing was utilized to choose 150 cross-sectional examples from Orissa, Jharkhand and Chhattisgarh conditions of India. Elucidating insights, trial of importance by z-insights and benefit model under econometrics were utilized to quantify the effect of interest in the self improvement gathering based microfinance. The conveyance of family unit pay and resources was estimated by Gini coefficient and Lorenz bends. The 'family' was taken as the unit of examination. The examination finished up with the positive effect on the expansion in pay, resources position, investment funds and proficiency and in the decrease of relocation of country family units. Feeble proof of huge effect of the gathering put together microfinance with respect to the conveyance of family unit pay and resources was found. The support of women in the self improvement gathering was emphatically controlled by family unit pay, business, relocation, sparing and proficiency positions.

Amita Rani and Pawan Kumar Dhiman (2012) zeroed in on the part of Self-Help Groups (SHG's) in advancing enterprising society among the SHG's individuals from Jakhhal block region Fatehabad Haryana. In the exploration essential information had been gathered from 100 example respondents from seven towns of Jakhhal block locale Fatehabad (Haryana) through planned timetable by leading meeting and perception strategy and it had been discovered that these gatherings were not working sufficient because of traditionalist family culture and poor instructive foundation of the majority. It had additionally been discovered that among overviewed bunch individuals subsequent to beginning SHG exercises just 6 percent of the part's family pay expanded more than INR 20,000 for every annum, 55 percent's pay expanded up to INR 20,000 yearly, 26 percent's pay in-wrinkled up to INR 10,000 and 13 percent individuals pay had not improved in the post SHG period and relinquishing the targets of the public authority arrangements.

A few examinations have been attempted on the turn of events and effect of SHG program in the India however no endeavors have been made on the particular spotlight on the patterns in development and improvement of SHGs in the India. My current exploration work means to fill the holes of early examination works.

IV. Statement Of The Problem

The E-Shakti program actualized to engage rustic women through the development of Self-Help Groups (SHGs) is making a quiet upset in the India yet it needs certain endeavors without which the transformation will get feeble in future.

OBJECTIVES OF THE STUDY

SHG Programme has been being used as a participatory approach to empower women since woman is partner of development and thereby eradicating of poverty at gross-root level. There is need to conduct the research study to assess the development of SHGs at micro-level. My present research work has the objectives:

- (i) To assess the development and growth of SHGs in India
- (ii) To know the rates in terms of size, membership, savings accumulation, fund-accumulation and loan disbursement and their trends,
- (iii) To find-out the sustainability of their development.

METHODOLOGY

A brief description about the selection of topic, sources and method of data collection and analytical techniques used during the study are given below:

Secondary data are collected from the annual reports of NABARD and data published newspapers and articles. Some SHGs were visited randomly to confirm the actual functioning of these institutions.

The simple statistical and mathematical methods such as regression, ANOVA, and tabular methods are used to process and analyze the data.

LIMITATIONS OF STUDY

The study has the following limitations:

- (i) The study covers only the development aspects of SHGs in India.
- (ii) It depends only on the secondary data.
- (iii) It used simple methods like regression, ANOVA, tabular and graphic methods.

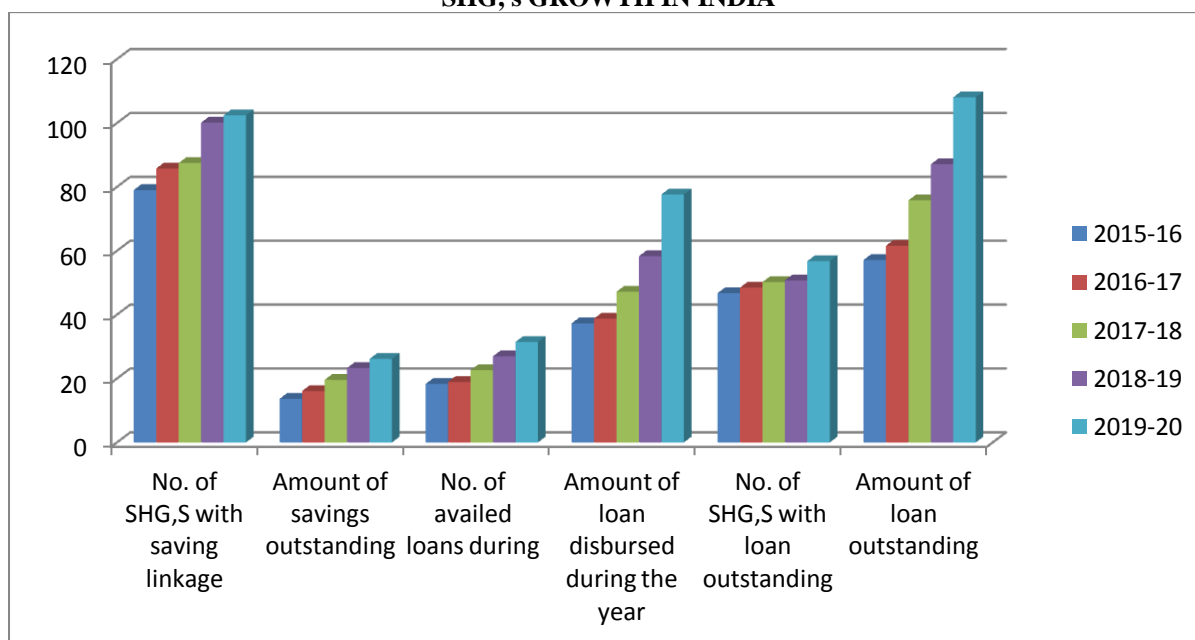
SHG, s GROWTH IN INDIA

Table No-01
No. Of SHG, S in Lakhs/ Amount in Rs. (000) Crore

year	No. of SHG,S with saving linkage	Amount of savings outstanding	No. of availed loans during	Amount of loan disbursed during the year	No. of SHG,S with loan outstanding	Amount of loan outstanding
2015-16	79.03	13.69	18.32	37.29	46.73	57.12
2016-17	85.77	16.11	18.98	38.78	48.48	61.58
2017-18	87.49	19.59	22.61	47.18	50.2	75.8
2018-19	100.14	23.32	26.98	58.32	50.77	87.1
2019-20	102.43	26.15	31.46	77.66	56.77	108.07

Source-Secondary data

Graph No-1
SHG, s GROWTH IN INDIA



In this above table no. OF SHG,s with saving linkage in 2015-16 is 79.03 lakhs, in 2016-17 85.77 lakhs, in 2017-18 87.49 lakhs, in 2018-19 100.14, and in 2019-20 102.43 lakhs.amount of saving outstanding in 2015-16 Rs.13.69 crore,2016-17 Rs.16.11 crore,in 217-18 Rs.19.59 crore, in 2018-19 Rs.23.32 crore, in 2019-20 Rs.26.15 crore. No of availed loan in 2015-16 18.32 lakhs, in 2016-17 18.98 lakhs, in 2018-19 26.98 lakhs, in 2019-20 31.46 lakhs. Amount loan disbursed during the year in 215-16 Rs.37.29 crore, in 216-17 Rs.38.78 crore, in 2017-18 Rs.47.18 crore, 2018-19 Rs.58.32 crore, 219-20 Rs.31.46 crore. No of SHG,S with loan outstanding 2015-15 46.73 lakhs, in 2016-17 48.48 lakhs, in 217-18 50.20 lakhs, in 218-19 50.77 lakhs,in 2019-20 56.77 lakhs. Amount of loan outstanding in 2015-16 Rs.57.12 crore, 2016-17 Rs.61.58 crore, 2017-18 Rs.75.80 crore 218-19 Rs.87.10 crore, 2019-20 Rs.108.07 crore

DATA ANALYSIS AND INTERPRETATION

Table no-2

Regression Statistics	
Multiple R	0.9732
R Square	0.9472
Adjusted R Square	-1.5
Standard Error	7.986
Observations	1

Table no.3

ANOVA					
	<i>df</i>	Sum square	Mean square	<i>F</i>	Significance F
Regression	6	4584.463	764.077	71.876	#NUM!
Residual	4	255.1314	63.782		
Total	10	4839.595			

Table no-4

	<i>Coefficients</i>	<i>Standard Error</i>	<i>t Stat</i>	<i>P-value</i>	<i>Lower 95%</i>	<i>Upper 95%</i>	<i>Lower 95.0%</i>	<i>Upper 95.0%</i>
Intercept							65535	65535
X Variable 1	-						1.1878	-1.1878
X Variable 2							-2.4085	2.4085
X Variable 3							-22.1738	22.1738
X Variable 4							-2.6301	2.6300
X Variable 5	-0.42781	7.5997	-0.0562	0.9578	-21.528	20.6723	-21.528	20.6723
X Variable 6	0.8674	0.1023	8.4779	0.0010	0.5833	1.1515	0.5833	1.15157

Table no-2, 3 and 4 shows that regression statistics multiple regression is 0.9732, R square is 0.9472 and standard error is 7.98 is good for fit data. Sum of square is 4584.46 and mean square is 764.077, F is 71.87. coefficient is variable 5 is 0.4278 and variable 6 is 0.8674, t-stat is 0.56 and 8.477, p-value are 0.9578 and 0.0010 so we can say SHG,s growth is good.

V. Conclusion

Self improvement through Mutual Help" the sensible idea was at first evolved by women. In male ruled society, women have no cash or kind of revenue for their own consumptions or to spend on their own decisions. A true exertion has been being made by the Govt. to carry more women under SHG development to enable them strategically, socially, mentally and financially in the state, when all is said in done, and in the India.

However, the advancement of SHGs stay steady or same till that shows the SHG program was not well known in the various locales that demonstrated absence of propelling endeavors from the sparks end. Then the improvement of asset was additionally not alluring to guarantee to meet the monetary requirements of the individuals. The joint obligation, somewhat, debilitate the women to join SHG development. The worked-out development rates and proportions regarding size, participation, collection of assets and dispensing of assets show the moderate improvement of SHGs in the different areas and there is need for rousing endeavors by Govt.

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