



## Socio-Economic Evaluation of Shg's in Bidar District of Karnataka

\* Dr.Sangappa V. Mamanshetty

\* Assistant Professor & Hod, Govt. First Grade College, Chincholi, Gulbarga, Karnataka

### ABSTRACT

*In the last five decades of developmental efforts, more attention was given to individual based approach than group approach. In the process, the development of the people could not be harnessed to the fullest potential. Realizing this lacuna, the group based development efforts are coming up in a big way across the country in the recent years. Both the State and Central Governments are giving due importance for the promotion and establishment of Self Help Groups (SHGs) for addressing developmental issues. Even the private and Non governmental Organisations (NGOs) have come forward to start SHGs for taking up developmental programmes. As on today, there are more than 32 lakhs of SHGs across the country. The world bank provides loan facilities to these groups through governmental organization and non governmental organizations (NGOs), so here the NGOs along with banks play a very important role in developing the groups. To fulfill this aim, it is necessary that the people who are living in the rural area should have knowledge of money saving, opening of accounts in banks, under taking the social problems and also getting awareness of countries financial position. Bidar is considered as one of the most backward district in the country, majority of the people in this district is living in the rural area and most of them depending upon the agriculture allied activities.*

**Keywords : Finanacial,Society Status,Money,Help,Micro,**

### INTRODUCTION

Providing rural households access to financial services, particularly credit has been a priority agenda for the central government since independence. It was considered an effective tool to earn a sustainable living. As a part of this strategy, several subsidy linked programmes were initiated. Within this policy context, the development of India's financial sector inevitably resulted in substantial achievements in enhancing access to credit in rural areas. Though the organized banking has largely undermined the role of the moneylenders regarding provision of credit, yet it is also realized that the formal banking system is ill suited to the credit needs of the informal sector, even though this sector accounts for the bulk of the total employment generated. So, the rural poor in the unorganized sector have not yet been able to come out at the clutches of the moneylenders charging usurious interest rates. The rural poor generally need finance for mixed purposes (i.e., a mix of production and consumption needs), which are mutually effected by each other. They are poor, so they cannot meet the contingencies of life on their own. In certain circumstances they have to sell or pledge their productive assets (whatever they have) to meet their needs, in the absence of any outside help. This pushes them into the vicarious cycle of debt and impoverishment. The formal credit system generally excludes them for want of a collateral. On the other hand borrowing from an informal source is very convenient, though the terms are very hard. As a result the credit needs of the rural poor are only partially met by formal credit agencies.

### STATEMENT OF THE PROBLEM

Credit is very important in the lives of the rural poor people in a developing economy. The majority of the rural population is left with an adequate resource base for production. In the rural, activities like weaving, handlooms, fiber cutting, rope making, poultry farm, gem cutting and polishing etc., are undertaken through all of these activities standard of living increases and it generates the employment opportunities in the rural/urban area. The world bank provides loan facilities to these groups through governmental organization and non governmental organizations (NGOs), so here the NGOs

along with banks play a very important role in developing the groups. To fulfill this aim, it is necessary that the people who are living in the rural area should have knowledge of money saving, opening of accounts in banks, under taking the social problems and also getting awareness of countries financial position. Bidar is considered as one of the most backward district in the country, majority of the people in this district is living in the rural area and most of them depending upon the agriculture allied activities.

### OBJECTIVES OF THE STUDY

The following are objectives set to carry out the proposed study

- 1) To know the growth of SHGs in Karnataka in General and Bidar district in particular.
- 2) To know the socio economic profile of the members.
- 3) To suggest measure in the light of own findings to the overcome the problems.

**TABLE NO. 1  
CLASSIFICATION OF RESPONDENTS ACCORDING TO AGE WISE**

Age (in years)	No. of Respondents	Percentage
Below 20	04	5.33
21-30	27	36.00
31-40	21	28.00
41-50	20	26.67
51 and above	03	04.00
<b>Total</b>	<b>75</b>	<b>100.00</b>

Source: Field Survey

The above table reveals that the percentage of young age respondents is more i.e., 36 percent. As per the survey young age group involvement higher than that of old and middle age groups of SHGs in this study.

**TABLE NO. 2  
CLASSIFICATION OF RESPONDENTS ACCORDING TO  
CASTE WISE**

Category	No. of Respondents	Percentage
GM	06	8.00
OBC	41	54.67
SC/ST	26	34.67
Others	02	02.66
<b>Total</b>	<b>75</b>	<b>100.00</b>

Source: Field Survey

From the above table exhibits that the majority of the respondents belongs to the other backward castes and the percentage is 55 percent, as compared with the other groups, other caste respondents are lessly involved in the self help group activities.

**TABLE NO. 3  
CLASSIFICATION OF RESPONDENTS ACCORDING TO  
EDUCATIONAL QUALIFICATIONS**

Qualification	No. of Respondents	Percentage
Illiterate	29	38.67
Primary school	24	32.00
Secondary school	17	22.67
Graduate	05	6.66
<b>Total</b>	<b>75</b>	<b>100.00</b>

Source: Field Survey

Form the above table deficits that the percentage of illiterate respondents is more i.e., 39 percent. The remaining 24 percent is completed primary education and 7 percent of them were completed graduate. It is clear from the above table illiterate are more present in the group.

**TABLE NO. 4  
CLASSIFICATION OF RESPONDENTS ACCORDING TO  
OCCUPATION WISE**

Sl. No.	Types of Occupation	No. of Respondents	Percentage
1.	Agriculture	11	14.67
2.	Self employed	39	52.00
3.	House wife	17	22.67
4.	Others	08	10.66
<b>Total</b>		<b>75</b>	<b>100.00</b>

Source: Field Survey

It is clear form the above table majority of respondents. 52 percent are self employed. The other 23 percent of them are housewife. And 11 percent of them are others. From the above data one can infar that self employed groups are very much interested in joining self help groups.

**TABLE NO. 5  
CLASSIFICATION OF RESPONDENTS ACCORDING TO  
MARITAL STATUS**

Sl. No.	Martial Status	No. of Respondents	Percentage
1.	Married	61	81.33
2.	Unmarried	11	14.67
3.	Widower	03	04.00
<b>Total</b>		<b>75</b>	<b>100.00</b>

Source: Field Survey

From the above table, it is clear that the percentage of married respondents is more i.e., 81 percent. The remaining 15 percent of them were unmarried and 4 percent of them were widowers.

**TABLE NO. 6  
CLASSIFICATION OF RESPONDENTS ACCORDING TO  
INCOME WISE**

Particulars (in Rs.)	No. of Respondents	Percentage
Less than 5000	19	25.33
5001 – 10,000	31	41.33
10,001 – 15,000	17	22.67
15,001 – 20,000	05	06.67
20,001 and above	03	04.00
<b>Total</b>	<b>75</b>	<b>100.00</b>

Source: Field Survey

The majority of the respondents i.e., 41 percent of families are having income ranging between Rs. (5001-10,000). And 25 percent of them are having income less than Rs. 5000/-. Than 4 percent of them are having income ranging between Rs. 20,001 and above.

**TABLE NO. 7  
CLASSIFICATION OF RESPONDENTS ACCORDING TO  
CONTRIBUTION AMOUNT**

Particulars (in Rs.)	No. of Respondents	Percentage
Less than Rs. 20	33	14.00
Rs. 21 – 30	14	18.67
Rs. 31 and above	28	37.33
<b>Total</b>	<b>75</b>	<b>100.00</b>

Source: Field Survey

It is clear form the above table indicates that, the majority of the respondents 37 percent are contribute Rs. 31 and above, than 14 percent of them were contributing between Rs. Less than 20.

**TABLE NO. 8  
CLASSIFICATION OF RESPONDENTS ACCORDING TO  
PERIOD WISE**

Particulars	No. of Respondents	Percentage
Weekly	47	62.67
Monthly	28	37.33
<b>Total</b>	<b>75</b>	<b>100.00</b>

Source: Field Survey

According to the above table the majority of the respondents held there meeting conducted weekly basis i.e., 63 percent. And remaining 37 percent of them were conducting there meeting on monthly basis.

**FINDINGS:**

- 1) Most of the members utilization of loan amount for the purpose of consumption, but are not involving in any income generating activities.
- 2) The banks are provided finance assistance to self help groups on the uniform basis to all members of the groups. But every member does not having uniform occupational i.e., (Agriculture, self employed and housewife's) etc. Therefore in other words the banks are not provided financial assistance on the basis of occupations of the group member. Therefore, it is difficult to develop their own occupations.
- 3) Most of the respondents are of the opinion that the main objective behind joining such self help group become self dependent in their life and the improve the standard of living and only few of the respondents are of the opinion that such groups can eradicate poverty.
- 4) It was found that by forming such self help group the problem of employment can be reduced to some extent and in term it leads development of economy.
- 5) Most of the groups are homogenous from the same caste and tribes and same social status.

- 6) The main occupation of SHGs members include agriculture labour, non farm labour and petty business. The amount of memberships savings in SHGs was found to be positively linked to their period of operation.
- 7) The analysis of so many data revealed that 80% of the members in selected SHGs were from poor families.

#### SUGGESTIONS

- 1) The committee members should maintain good relationship with other members, with taking effective leadership role. The sort of development will help to take good decisions which helps to develop there self help groups.
- 2) The self help groups audit there books of account in every year, which helps to know the economic conditions of groups. And make a one final report it should be read during the meeting.
- 3) It is suggested that the self help groups should change their committee members every year. It gives twice benefits to groups. One benefits for committee members to take relaxation and second it gives chance to other members to give a experience in handling groups.
- 4) The groups need always encouragement and support form the family members, government and the society etc.
- 5) It is an good opportunity for both men and women for empowering in rural as well as urban areas. The keen interest should be take government, banks and other financial institutions should come forward to offer loans to groups with attractive, low rate of interest rates and simplified procedures.
- 6) Women have to take for initiative in improving their socio economic status by participation in governmental programmes such as family welfare, promoting their nutritional and educational status, awareness on environmental public wealth through sanitation and clean drinking water etc.
- 7) Particularly in rural area the sociological problems like girl child, by stopping dowry death and low rate of female literacy etc. of these aspects the effective decision should take for removing of these attitudes.
- 8) Under the groups whenever he needs of money in repayment made frequently and regularity.

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