

Impact of diversification on income and employment of self-help groups through micro-credit

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ABSTRACT

Development through credit is the modern face of the growth. Be it the world bank at the International level or Government of the country at the National level all are advocating growth through credit. In this linkage small credit advanced locally have been given a new name micro credit. In India micro-credit programmes are implemented through group structures which is known as self-help groups. SHG's is group of rural poor people who have volunteered to organized themselves into a group for eradication of poverty of members. The present study is confined to Ashpur Deosare and Patti block of Pratapgarh district of Uttar Pradesh, 20 SHG's (total of 1040 members) which comprises of 10 members each were selected from 20 villages of above blocks for the study. These SHG's were linked for financing with the banks and these banks financed for the diversified activities in Agriculture. The credit were divided to the SHG's for the activities like IPNM, IPM, bio activities, Horticulture, Animal Husbandry and Dairy etc. The socio-economic data of these SHG's were collected before and after diversification activities. Socio-economic profile of the SHG's shows that the 50.29 per cent male and 49.71 per cent women were found in selected SHG's which shows that womens were participating equally in poverty eradication programmes. Among SHG's 43.94 per cent members were found in the age group up to 20 years and 21 to 40 year age were found 18.85 per cent and 37.21 per cent members were in the age group of 41 to 60 years. As far as literacy is concern 13.85 per cent SHGS family members were found illiterate, 80.86 per cent were educated up to intermediate and only 5.29 per cent were found graduates and above. Kisan Credit Card holders among SHG's were 186. The results reports that as diversification adopted by SHG's, the major changes were found in cropping pattern. The area in wheat, paddy and bajara crops were decreased and shifted to vegetables crops. Area in arahar and urad were decreased. However, area in urad and moong were increased. The result also shows that income increased after diversified activities mainly in vegetable crops (132%), pulse crop (49%), milk production (99%), poultry production (109%), goatry (384%) and cereals (7%) likewise employment of SHGS has also increased in vegetables (100%), milk production (50%), poultry (105%) and goatry (105%) in the study area. On the whole income and employment of the SHG's were increased 86.43 per cent and 30.49 per cent, respectively. The study suggests that there is need to educate the people to form the SHG's so that they can utilize the maximum micro-credit to alleviate the poverty.

Key words : Self-help group, Micro-credit, Good grain, Cultivation

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India has been self sufficient in food-grain production but planners, agricultural scientists and agricultural economists are worried about the slow growth rates of

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agricultural production in the recent years. The population has been increasing at 1.2 per cent annually while the average growth rate of total food-grain production is about 0.8 per cent. So, there is no option except to produce more. The changes in area of crops was analyzed for the past four decade to arrive at the nature and direction of area shifts for crop diversification and balance in the enter-crop allocation of existing and additional areas brought under cultivation. There are emerging opportunities for diversification in the fields of organic farming, contract farming and production for export purpose. The main approach of crop diversification in which,