



Research Paper

Impact of Self-help Groups on income and employment

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ABSTRACT : In India micro-credit programmes are implemented through group structures which is known as Self-Help Groups (SHGs). SHGs is group of rural poor who have volunteered to organize 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 SHGS (total of 1040 members) which comprised of 10 members each were selected from 20 villages of three blocks for the study. These SHGs were linked for financing with the banks and these banks financed for the income generating in agriculture. The socio-economic data of these SHGS were collected for socio-economic profile of the SHGs, which exhibited that 50.29 per cent male and 49.71 per cent womens were found in selected SHGs participating equally in poverty credication programmes. Among SHGs 43.94 per cent members were found in the age group up to 20 years and 21 to 40 year age were found 19.3 per cent and 37.21 per cent members were in the age group of 41 to 60 years. As far as literacy was concerned only 2.50 per cent SHGs family members were found illiterate, 62.50 per cent were educated up to Intermediate and 13 per cent were found graduates and above. Kisan Credit Card holders among SHGS were 186. The study suggests that there is need to educate the people to form the SHGS so that they can utilize the maximum micro-credit to alleviate the poverty.

KEY WORDS : Shelf-help Groups, Income, Literacy, Employment

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INTRODUCTION

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 credits advanced locally, have been given a new name, micro-credit. Not only in India, but in many developing and least-developed country also, micro-credit is spreading its wings covering newer fields. Ever since founder of the Gamin Bank and Nobel prize winner, Muhammad Yunus of Bangladesh proved with his pioneering work that the micro-credit is beneficial for borrowers and lenders alike. In India, micro-credit programmes are implemented through group structures, which are known as Self-Help-Groups. Self Help group is group of rural poor who have volunteered to organize themselves into a group for eradication of poverty of members (Desai, 2000 and Chacharker and Salpute, 2008). They agree to save regularly and convert their savings into a common fund known as the group corpus.

The members of the groups agree to use this common fund and such other funds that they may receive as a group to through a common management. The group formation keeps view the broad guidelines. Generally a SHG may consist of 10-20 persons. However, in difficult areas like deserts, hills and others areas, with scattered and sparse population and in case of minor irrigation and disabled persons, this number may be from 5-20. Generally all members of the group should belong to families below the poverty line. This will help the families of occupational groups like agricultural labourers, marginal farmers and artisans marginally above the poverty line, or who may have been excluded from the BPL list to become members of the SHG. However, the APL members will not be eligible for the subsidy under the scheme. The group shall not consist of more than one member from the same family. A person should not be a member of more than one group. The group should devise a code of conduct (group management norms) to bind itself, which should be in the form of regular meetings (weekly or fortnightly), functioning in a democratic manner, allowing