

Constraints in the functioning of self help groups in Sindhudurg district, Maharashtra

H.G. JADHAV AND R.G. TAMBAT

See end of the article for authors' affiliations

Correspondence to :
H.G. JADHAV
 S.P. College of
 Horticulture, Chiplun,
 RATNAGIRI (M.S.)
 INDIA

ABSTRACT

To study the constraints in the functioning of SHGs, twelve villages from Kankawli and Malvan tahsils of Sindhudurg district were selected purposively. One SHG from each village was selected randomly. Thus, total 110 members from 12 SHGs were included in the sample. Based on the performance of SHGs, they were classified into three groups *i.e.* good performance, average performance and poor performance. The major constraints faced by SHG members were small and fragmented land holding (100 %), stray cattle menace (90.91 %), lack of market facilities for product of SHG (90%), low market price for product of SHG (87.27 %) and lack of irrigation facilities (85.45 %).

INTRODUCTION

Self help group (SHG) is a group of people coming together voluntarily for attaining a common goal. The goal could be anything like saving habit or meeting emergent credit need etc. SHG is a group of rural poor who have volunteered to organize themselves into a group for eradication of poverty of the members. Self help groups (SHGs) are fast emerging as powerful tool of socio-economic empowerment of the poor in rural areas. SHG is a small body formed by the people for meeting their specific objectives, particularly credit. It is managed by the rules and regulations formed by them and functions on democratic principles. In self help groups, it is assumed that all poor households need to save and have the inherent capacity to save small amount regularly, early assess to credit is more important than cheap subsidized credit which involves intricate bureaucratic procedures; the poor are the best judge of their credit needs and are good users and re-payers of credit when formed in group.

SHGs are extremely useful in generating savings, ensuring successful delivery of credit to individual rural poor and effecting recovery. In addition, they serve as an ideal mechanism for bringing women out of their homes, making them more articulate and honing their leadership qualities and their skills as motivators (Jain and Srivastava, 2003; Gupta, 2006). A total of 22.38 lakh self help groups have been formed until April 2006 and about 11396 cores have been disbursed to these SHGs. The

refinance assistance of 4156 cores have been provided to these SHGs up to the year 2006 and 3.36 cores families get benefited. In Maharashtra a total of 1,23,295 SHGs are established and Konkan region is leading in the formation of self help groups. Several positive claims are made in support of the SHG movement. It is said that due to formation of SHGs the rural poor people are helping each other. The co-operation and unity among the members are also strengthened. Saving habits of poor people are also increased. It provides year round employment to the members by taking income generating activity and improves their economic conditions and standard of living (Ramesh, 2000).

In Sindhudurg district 3221 SHGs are formed up to the year 2006, out of which 1487 SHGs have undergone first gradation and 620 SHGs have passed second gradation. Also government has provided credit amount up to 16 cores for Sindhudurg district and 8.5 cores subsidy amount is given to SHGs. Also government has spent 66,34,000 rupees for training of SHG members in Sindhudurg district. (DRDA, Sindhudurg district). However, the impact of this credit given to SHG members on their saving, income and employment has not been studied in the past.

It was felt that information on these aspect was necessary, so as to decide the strategies for effective implementation of this programme. With these considerations, the present study was carried out to documents constraints in

Key words : Self help group (SHG), Constraints

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the functioning of self help groups.

METHODOLOGY

The study was conducted in Sindhudurg district of the Konkan region. Kankawali and Malwan tahsils of Sindhudurg district were selected purposively. From these two tahsils 12 villages were selected and from each village one SHG was selected randomly, so total number of SHGs became 12. For each SHG, list of members was prepared. From each SHG, all the members were selected for collecting information regarding their experiences about SHGs. Hence, total respondents were 110. An interview schedule was prepared, so as to collect the information in

line with the objectives of the study. Personal interview technique was used for data collection. Then the data collected were analyzed with suitable statistical and arithmetical tools.

RESULTS AND DISCUSSION

It is noticed from Table 1 that the major constraints faced by SHG members were small and fragmented land holding (100 %) in all the groups of respondents followed by, stray cattle menace (90.91 %), lack of market facilities for product of SHG (90%), low market price for product of SHG (87.27 %) and lack of irrigation facilities (85.45 %).

Table 1 : Distribution of respondents according to constraints faced by them in functioning of SHG

Sr. No.	Nature of attitude	Frequency of groups (for positive responses)			
		Good performance (N = 60)	Average performance (N = 30)	Poor performance (N = 20)	Overall (N = 110)
1.	Non co-operation of male members	20 (33.33)	22 (73.33)	12 (60.00)	54 (49.09)
2.	Non availability of subsidy	10 (16.67)	12 (40.00)	2 (10.00)	24 (21.82)
3.	Lack of adequate financial support	48 (80.00)	15 (50.00)	5 (25.00)	68 (61.82)
4.	Untimely availability of loan from SHG or bank	48 (80.00)	20 (66.67)	15 (75.00)	83 (75.45)
5.	Lack of irrigation facility	50 (83.33)	26 (86.67)	18 (90.00)	94 (85.45)
6.	Stray cattle menace	55 (91.67)	25 (83.3)	20 (100.00)	100 (90.91)
7.	Lack of knowledge about agricultural technology	51 (85.00)	20 (66.67)	10 (50.00)	81 (73.64)
8.	Lack of supply of agriculture and other inputs	45 (75.00)	21 (70.00)	12 (60.00)	78 (70.91)
9.	Small and fragmented land holding	60 (100.00)	30 (100.00)	20 (100.00)	110 (100.00)
10.	Lack of market facility for product of SHG	55 (91.67)	28 (93.33)	16 (80.00)	99 (90.00)
11.	Low market price for product of SHG	58 (96.67)	28 (93.3)	10 (50.00)	96 (87.27)
12.	Lack of participation of members	20 (33.33)	10 (33.33)	13 (65.00)	43 (39.09)
13.	Irregularity in meeting attendance	10 (16.67)	5 (16.67)	9 (45.00)	24 (21.82)
14.	Individual member is reluctance to attend training	5 (8.33)	5 (16.67)	3 (15.00)	13 (11.82)
15.	Member is least interested in the meeting due to unavoidable work	12 (20.00)	10 (33.33)	5 (25.00)	27 (24.55)
16.	Members are not having cohesive relations among themselves	10 (16.67)	5 (16.67)	3 (15.00)	18 (16.36)

(Figures in parentheses indicate percentage)

Conclusion:

Majority of the members faced constraints regarding small and fragmented land holding, lack of market facilities for product of SHG, lack of irrigation facilities and untimely availability of loan from bank. Training should be provided to SHG members regarding the business activities and modern agricultural technology. More credit should be provided to SHG for strengthening their activities. The proper knowledge of marketing should be provided to the SHG members.

Authors' affiliations

R.G. TAMBAT, S.P. College of Agriculture, Chiplun,
RATNAGIRI (M.S.) INDIA

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