



INFLUENCE OF SHG ON ITS MEMBERS ECONOMIC SPOT

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ABSTRACT

The first recorded instance of a self-help group formation was in Gujarat in the year 1954. Many women came together in order train themselves in the skills of skewing, knitting, embroidery, typesetting and stenography. So that, they can be skilled worker which can help them in improving their economic status. It is discussed briefly in this paper.



KEYWORDS: SHG, Women, Self Empowerment, Micro Credit.

1.INTRODUCTION

The SHG is the brainchild of Grameen Bank of Bangladesh, which was founded by Prof. Mohammed Yunus of Chittagong University in 1975. The concept of SHG serves to underline the principle “for the people, by the people and of the people”. Mohammed Yunus, popularly known as the father of micro credit system, started a research project in Bangladesh in 1979 and came out with ideas of micro credit that resulted in the establishment of Grameen Bank in 1983.

2. REVIEW OF LITERATURE

Ranjula and Adel Varghese in their article titled (2016) “Being Patient with Microfinance: The Impact of Training on Indian Self-Help Groups” in this paper is focused to We evaluate the impact of training provided by facilitators of Self Help Groups (SHGs). This evaluation provides one of the first studies of the impact of „microfinance plus, □ or the disbursement of services beyond credit. Indian SHGs are mainly NGO-formed women dominated microfinance groups funded by commercial banks. Basanta Chutia in his study titled (2015) “Impact Of Self-Help Groups In Socio Economic Development of Assam: A Study on Dhemaji District” this paper is displayed The Self–help Group (SHG) method at first used by Dr.MehmudYunus, professor of Economics in Chitgaon University of Bangladesh, was an initiator. Now a day Self-help Group method is used by Government and Non-Government Organizations (NGOs) and others worldwide. Mukhtar Ahmad Bhat&Irshad Ahmad Wani, Alosius P. Fernandez. in his expose titled on (2014) “A Study on Self-Help Groups in Dharmapuri District” a paper was conducted to Self - Help Group is homogeneous affinity groups with common objective of enhancing their economic conditions. Theorists view it as the homogeneous group of poor village people formed with at least 5 members. In reality, the SHG groups comprises of 12-20 members of nearly same economic conditions and aspirations. This is not based on strict rules, even though rules are framed to conduct smooth conduct of SHG meetings and the routine money rotation. Sanjay Kanti Das and Prof.Amalesh Bhowalin their research titled (2013) “Impact of Self Help Group on Members and Its Involvement in Social Issues: Core vs. Peripheral Issues” The main objective of this paper is to examine the opinion of the direct stakeholders (viz. Promoters, Donors, Financial Institutions and the Group members) whether the aspects like impact on members of SHG and its involvement in larger social issues should be

peripheral or core components of quality indicators of SHG. Ghai in her article titled (2012) “Role of Self-Help Groups in India” in this paper is enclosed to A Self-Help Group (SHG) is a village-based financial intermediary usually composed of 10-20 local women. Most self-help groups are located in India, though SHGs can also be found in other countries, especially in South Asia and Southeast Asia. Members make small regular savings contributions over a few months until there is enough capital in the group to begin lending.

3. OBJECTIVES OF THE STUDY:

1. To study the perception of SHG members on the benefits of SHGs in study area.

4. HYPOTHESIS

H1 - Income of Self Help Group members are same before and after joining Self Help Group.

H2 - Monthly Saving of Self Help Group members is same before and after joining Self Help Group.

5. RESEARCH METHODOLOGY:

The research is descriptive in nature. Specific objectives of the study as stated earlier required use of both primary and secondary data. Methods used for the collection and analysis of data are provided in this section. Specific tools of analysis and empirical models are also presented. The study is based on both primary and secondary data. The secondary data are made available from the various journals, books and websites. The required primary data are collected from the selected respondents with the help of a comprehensive, pre-tested enquiry schedule, through personal interview method. Care has been taken to avoid bias and necessary cross checks that are applied to ensure the accuracy of data. The sample size of 167 was enough for the present research. The researcher has applied the proportionate stratified sampling technique from probability sampling method to collect the primary data from SHG members in Thoothukudi.

6. ANALYSIS

Monthly Income of the Respondents

Table No. 1
Monthly Income of the Respondents

Sl. No.	Income Per Month	No. of Respondents	Percentage
1	Upto 10000	58	35
2	10001 – 20000	89	53
3	20001- 30000	16	10
4	Above 30000	4	2
Total		354	167

Source: Primary Data

The above table gives the details about the monthly income of the respondents for the present research. The majority (53%) of the respondents have an income of between 10,000 rupees to 20,000 rupees. In the next place is the people who earn up to 10,000 rupees (35%). Both 20001- 30000 and 20001- 30000 and above 30,000 rupees are around 12 percentage of the total number of respondents who are selected for the present research.

Monthly Income of SHG Members

Table No: 2
Difference of Monthly income of SHG Members before and after joining Self Help Group

Statements	Pair	Mean	Std. Deviation	Mean difference	t value
Monthly Income of SHG members	Before joining	7,500	1200	3,800	27.087*
	After joining	11,300	2100		

Source: Computed Primary Data

Note: * denotes significant level at 5% (T.V = 1.96)

The amount of Rs 7,500 of respondents' monthly income before joining SHGs. But after joining SHGs their monthly income increased to 11300. Mean Difference between their income before and after joining SHGs is 3,800 with t value 27.087 revealing significant increase in respondents' monthly income. It can be concluded that there is a hike in the monthly income of SHG members after joining SHG.

Monthly savings of SHG members

Table No: 3
Difference of Monthly savings of SHG Members before and after joining Self Help Group

Statements	Pair	Mean	Std. Deviation	Mean difference	t value
Monthly Savings	Before joining	1,300	250	1,300	8.783*
	After joining	2,600	350		

Source: Computed Primary Data

Note: * denotes significant level at 5% (T.V = 1.96)

Monthly savings of the SHG members met with an increase and reached 2600 after joining SHG. Earlier it was 1300. Mean difference of 1300 rupees can be noticed in the current monthly savings. t value of 8.783 brings out the remarkable increase of SHG members monthly savings after joining SHG.

Results are showing positive impact on SHG members development. such as SHG members expenses, income, savings are improved became an SHG members. They are benefited with self-development and self-confident by SHG. Their skills on marketing, production, finance is very important to the success of their business and it helps to improve their economic empowerment on society. But, they are lacking these three skills marketing, production, and finance comparatively than administrative skill. This chapter concluded that, for economic empowerment of the SHG members their entrepreneurial skill plays an important role.

7. FINDINGS

In the present study, the majority, 46 percent of the respondents were of the age group of 36 to 45 years. Among the respondents for the present study 50% of the respondents were educated till higher secondary. The majority (53%) of the respondents had an income from 10,000 rupees to 20,000 rupees per month. Among respondents of the present study, 31% of the total respondents were house wives. In the next place is the farmers are around 23% of the total respondents, the major problem related to the administrative skill occurs while group formation, coordination and interpersonal relationship. Therefore, while forming a group, the leaders can make sure that members with same potential and interests are put together in one group. This can negate the possibility of a conflict among the members. With regard to the problems related to coordination, identifying similar talented people and allocating work to them can solve the problem. Joint consultation is another way to solve the problem that arises out of coordination.

8. CONCLUSION

The majority of the beneficiaries through the self-help groups are the women. Therefore, it gains double significance to develop and improve the self-help groups, particularly in the Indian context where the women are still subjugated to various forms of atrocities and suppressions. Therefore, it is the need of the hour to empower the women so that they can face the difficulties in their life. There are many ways through which the government is trying to empower the women of the country, but activities of the government remain unsatisfactory and yet to reach the majority of the population. Therefore, the self-help groups that were started by the women themselves becomes very significant in this context where they themselves come together and share their problems and find solutions to their problems collectively.

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