

CHAPTER NO – IV

ANALYSIS AND

INTERPRETATION

OF DATA

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ANALYSIS AND INTERPRETATION OF DATA RELATED TO SELF HELP GROUPS LINKED WITH PUBLIC SECTOR BANKS

Introduction

Self Help Group Bank linkage programme is a Scheme where bank provides finance to Self Help Groups for fulfillment of their financial requirement.

This chapter deals with analysis and interpretation of data related to Self Help Groups which are linked with public related to financial assistance by bank to Self Help Groups and its effect on members. The details were done with the help of the books and register maintained by the groups and the public sector banks. The information is collected by the group leaders, members and bank managers and members also. This chapter is discussed under the following headings.

4.1 Credit flow realized: -

- 4.1.1. Thrifts of Self Help Groups mobilized with public sector banks.
- 4.1.2. Bank Loans Disbursed to Self Help Groups under Self Help Group Bank Linkage.
- 4.1.3. Internal leading.
- 4.1.4. Performance of Loan Recovery.
- 4.1.5. Loan Outstanding.

4.2 Effects of SHG Bank Linkage Programme on its Members : -

- 4.2.1 Investment Pattern (Loan Utilization)
- 4.2.2. Income Generation (Shift of Beneficiaries to Higher Income Group)
- 4.2.3. Social Benefits Received to Self Help Group Members
- 4.2.4. Problems faced by Self Help Groups in Implementing Financing Scheme.

4.1 Credit Flow Realized: -

The Self Help Groups are engaged in banking operating through the activities of savings, thrift and credit. The main reason behind Self Help Group formation is thrift and credit. Thrift mobilized of Self Help Groups with public sector banks and financial support provides by bank is an inevitable part of credit flow.

Generally all women are good savers of money where Self Help Groups are a platform for their savings and for financial requirements. Self Help Group – Bank Linkage Programme has been a crucial element in increasing women's economic opportunities.

4.1.1 Thrift of Self Help Groups Mobilized with Public Sector Banks:-

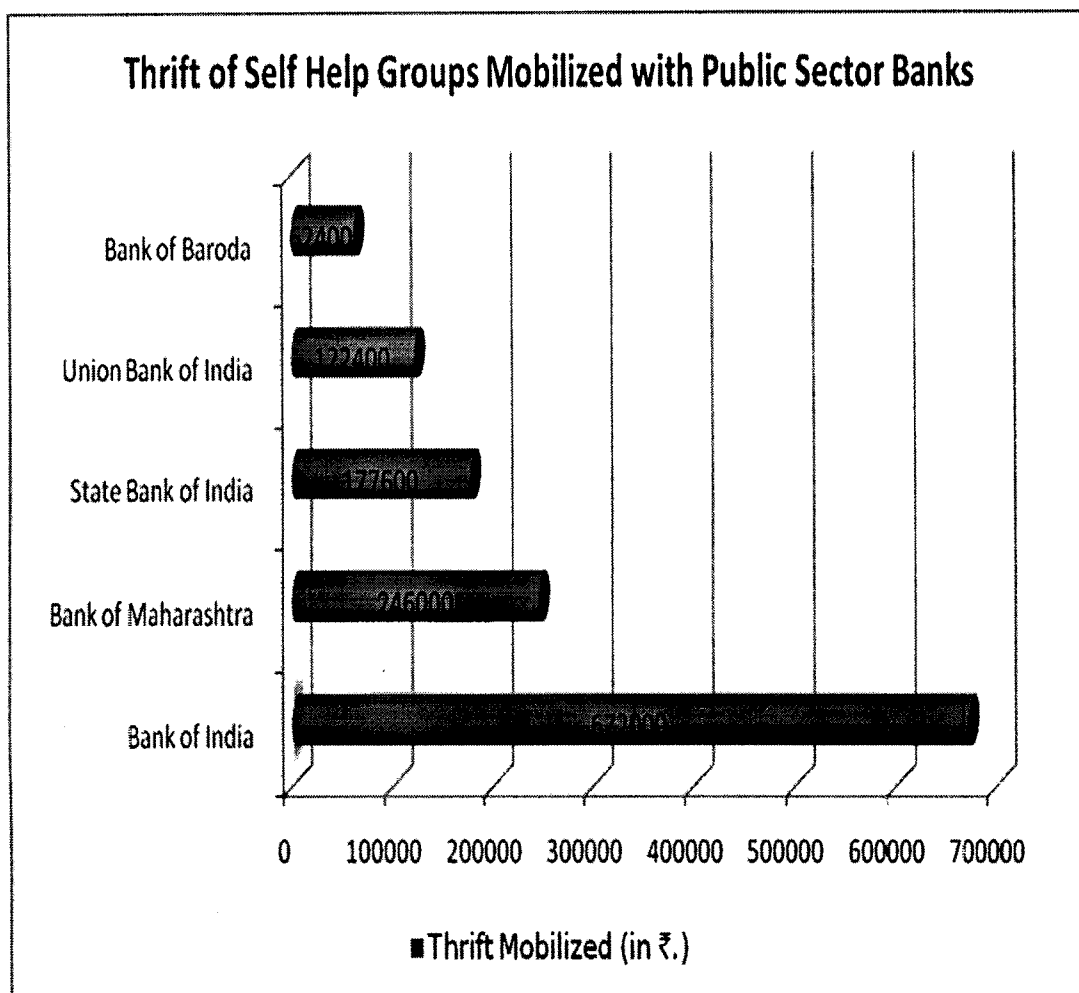
The amount saved by the members of Self Help Groups is major saving thrift. In this study area there are 5 public sector banks and 40 Self Help Groups linked with public sector banks. The mobilized thrift is for 12 months. The following Table No. 4.1 shows the thrift mobilized of Self Help Groups for the year 2011-12.

Table No. 4.1
Thrift of Self Help Groups Mobilized with Public Sector Banks
for the year 2011-12

Sr. No.	Name of the (Linked with Self Help Groups)	Details of Self Help Groups Thrift (Savings)		
		No. of Self Help Groups	No. of Members	Thrift Mobilized (in ₹.)
1	Bank of India	20	360	672000
2	Bank of Maharashtra	08	145	246000
3	State Bank of India	06	108	177600
4	Union Bank of India	04	72	122400
5	Bank of Baroda	02	36	62400
	Total	40	721	1280400

(Source: Field Survey)

Figure No. 4.1



The above table no. 4.1 shows that the savings mobilized of Self Help Group members with the 5 public sector banks. In this study are 360 members of 20 Self Help Groups linked with Bank of India mobilized thrift of ₹ . 672000. 160 members' saves ₹. 100 and 200 members save ₹ . 200 per month. ₹. 246000 mobilized by 145 members of Self Help Groups linked with Bank of Maharashtra. Where 85 members saves ₹ . 100 and 60 members ₹ . 200 per month. State Bank of India linked with 6 Self Help Groups mobilized thrift ₹. 177600 by 108 members. Out of 108 members 68 members saves ₹. 100 per month and ₹. 200 saves by 40 members. ₹ . 122400 saved by 4 Self Help Groups linked with Union Bank of India. 42 members and 30 members save ₹ . 100 and ₹ . 200 respectively. Bank of Baroda linked with 5 Self Help Groups has 35 members mobilized Rs. 62400. In this bank 20 members and 16 members saves ₹ . 100 and ₹ . 200 respectively.

4.1.2. Bank Loans Disbursed to Self Help Group under Self Help Group Bank Linkage Programme

Finance is basic part of any economic activity. The basic philosophy of rural finance is the dispensation of loans at a concessional rate through administrative control targeting the rural people engaged either in agricultural or non agricultural activities but it is felt that a large number of poverty stricken people and women who constitute a significant number still not getting the proper finance. Self Help Groups are treated as finance to small groups. This new approach is known as micro credit programme.

Disbursement of loan to members of Self Help Groups is a way of finance to micro projects by the banks. The main aim of Self Help Group- Bank Linkage Programme is to empower the members by fulfilling their financial needs.

Table No. 4.2

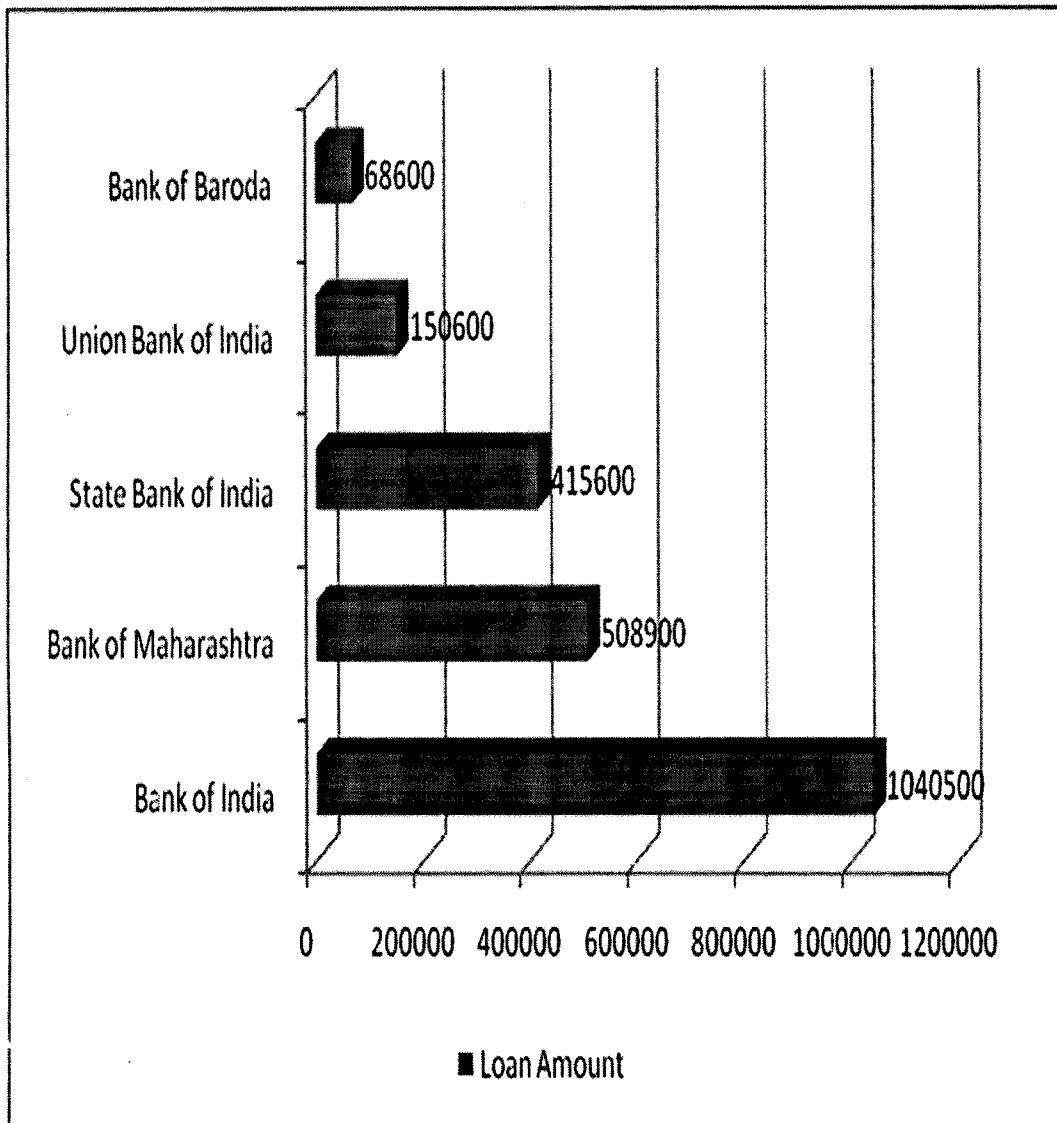
Loan Disbursement to Self Help Groups for the year 2011-12

Sr. No.	Name of the Bank	Details of Loan Disbursement		
		No. of Self Help Groups	No. of Members	Loan Amount
1	Bank of India	20	360	1040500
2	Bank of Maharashtra	08	145	508900
3	State Bank of India	06	108	415600
4	Union Bank of India	04	72	150600
5	Bank of Baroda	02	36	68600
	Total	20	721	2214200

(Source: Field Survey)

Figure No. 4.2

Loan Disbarment to Self Help Groups for the year 2011-12



The above table and figure no.4.2 discloses that the Bank of India disbursed loan to 20 Self Help Groups ₹ . 1040500/- for the year 2011-12. The financial assistance provided by Bank of Maharashtra ₹ . 508900/- to 8 Self Help Groups. State Bank of India disbursed the loan to 6 Self Help Groups amounted ₹ . 415600/- . The Credit flow of ₹ . 180600 is realized by Union Bank of India to 4 Self Help Groups and Bank of Baroda provides loan ₹ . 68600 to 2 Self Help Groups. This above table shows how the Self Help Groups member associated with financial assistance to fulfill their financial needs under Self Help Group Bank Linkage Programme.

The following table 4.3 discloses the percentage of thrift mobilized to loan disbursement for the year 2011-12.

Table No. 4.3
Percentage of Mean Thrift Mobilized to Mean Credit Disbursement for the year 2011-12

Sr. No.	Name of the Bank	No. of Self Help Groups	No. of Members	Saving Rate Per Month		Thrift Mobilized	Credit Disbursed	Mean Thrift in ₹.	Mean Credit in ₹	% of Mean Credit to Mean Thrift
				₹. 100/-	₹ 200 /-			(N : 40)	(N : 40)	
1	Bank of India	20	360	160	200	672000	1040500	33600	52000	155
2	Bank of Maharashtra	8	145	85	60	246000	508900	30750	63612	207
3	State Bank of India	6	108	68	40	177600	415600	29600	69267	234
4	Union Bank of India	4	72	42	30	122400	180600	30600	45147	148
5	Bank of Baroda	2	36	20	16	62400	68600	31200	34300	110

(Source: Field Survey)

The above table no. 4.3 shows the percentage of mean credit to mean thrift. 20 Self Help Groups linked with Bank of India shows 155% of mean credit to mean thrift. 207% mean credit disbursed by Bank of Maharashtra. The highest 234% mean credit shows the loan disbursement by State Bank of India. 148% and 110% mean credit disbursed by Union Bank of India and Bank of Baroda respectively.

4.1.3 Internal lending

Internal lending is a very encouraging trend proving the potentials for Self Help and Mutual Group which are the maxims of any developmental agenda. Internal lending of money is a group performance and functioning of group in a significant manner. The growth of Self Help Groups rated on internal lending of money to its members.

The table no 4.4 reveals Internal lending to the tune of ₹ 950800 was reported in the bank of India linked Self Help Groups. The Self Help Groups linked with Bank of Maharashtra ₹ 465600 lend to the members. 6 Self Help Groups Linked with State Bank of India land the money internally to its members

₹ 375600/-, ₹ 162800/- amount lend by the 4 Self Help Groups linked with Union Bank of India to its members and ₹ 59800/- amount lend to Self Help Group members of Bank of Baroda.

The following table No. 4.4 Shows the Internal lending amount and its percentages to loan disbursed by bank in the study area.

Table No. 4.4
Internal Lending & Its Percentage to loan Disbursement

Sr. No.	Name of the Bank (Linked With Self Help Groups)	Loan Disbursement Amount	Internal Disbursement Amount	Percentage of Internal Lending to Loan Disbursement Amount
1	Bank of India	1040500	950800	80.80
2	Bank of Maharashtra	508900	465600	91.49
3	State Bank of India	415600	373600	89.89
4	Union Bank of India	180600	162800	90.14
5	Bank of Baroda	68600	59800	87.17

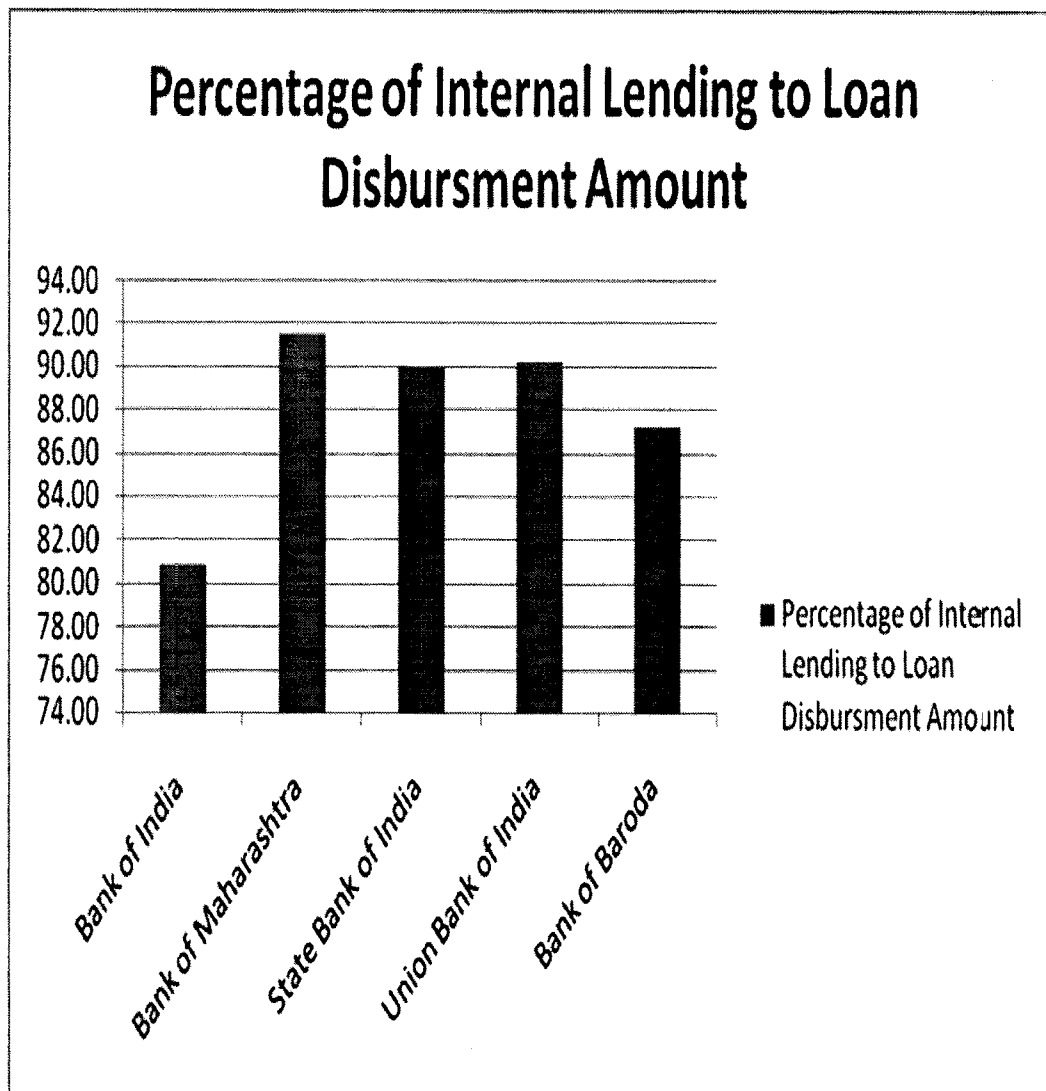
(Source: Field Survey)

Table No. 4.4 reveals internal lending of Self Help Groups ₹. 950800 Internally lend to its members by Self Help Groups linked with Bank of India. 8 Self Help Groups linked with Bank of Maharashtra Internally lend ₹.465600 to its members. ₹.373600 amount of loan lend by Self Help Groups linked with State Bank of India. 4 Self Help Groups linked with Union Bank of India Internally lend ₹.162800 to its members. ₹.59800 lend by Self Help Groups linked with Bank of Baroda.

The Figure. No. 4.3 shows Internal Lending and its percentages to loan disbursement to Self Help Group members. Self Help Groups linked with bank of India lends the amount internally was 80.80% to loan disbursement. 91.49% shows the Self Help Groups linked with bank of Maharashtra lends Money to Self Help Groups members in this study area. The Self Help Groups linked with State

Bank of India, Union Bank of India, Bank of Baroda shows 89.89%, 90.14%, 87.17% internal lending to its members respectively.

Figure No. 4.3



4.1.4 Performance of Loan Recovery:-

Proper loan recovery is a good decision of SHGs to lend the money to right members. There are some terms and conditions which are determined by SHGs and banks about loan recovery. Recovery performance shows the position and performance of SHGs. If the recovery performance is satisfactory then the group can survive for longer period of time. The bank also provides the finance for second time which means loan extensions. Demand for recovery and actual recovery of loan are most important factors in loan repayment.

Bank prescribes appropriate repayment period in negotiation with the Group which may range from 3 to 7 years. Repayment may normally be in regular monthly installments or as determined at the time of loaning based on local conditions, activities undertaken by members etc. Loans from SHGs to members could be repaid in appropriate installments which may be daily, weekly or market days fortnightly, monthly etc.

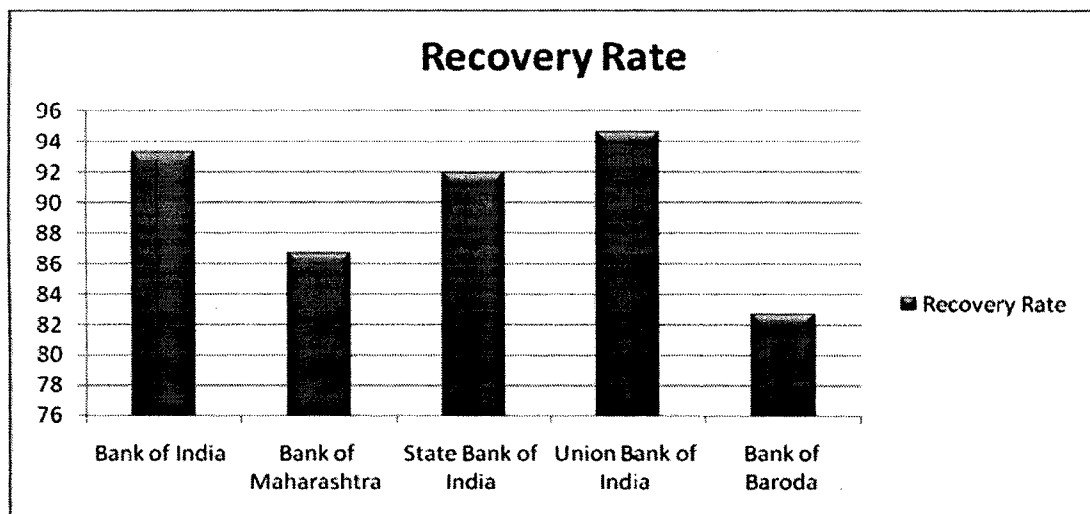
The following table no 4.5 shows demand for recovery and actual amount recovered

Table No. 4.5
Demand for Recovery and Actual Recovery

Sr. No.	Name of the Bank	No. of Self Help Groups	No. of Members	Credit Disbursed	Demand For Recovery	Amount Recovered	Over Due	Recovery Rate
1	Bank of India	20	360	1040500	780375	728350	52025	93.33
2	Bank of Maharashtra	8	145	508900	381675	330785	50890	86.67
3	State Bank of India	6	108	415600	311700	286764	24936	92.00
4	Union Bank of India	4	72	180600	135450	128226	7224	94.67
5	Bank of Baroda	2	36	68600	51450	42532	8918	82.67

(Source: Field Survey)

Figure no. 4.4



The above table no. 4.5 and figure 4.4 disclose the data related to loan recovery rate. All the banks in this study have 75% demands for loan recovery. 20 Self Help Groups linked with Bank of India has actually recovered the amount of ₹ . 728350 where overdue is ₹ . 52025 it shows 93.33% recovery rate. 93.33%

recovery is satisfactory performance by SHGs most of the members are very punctual and alert in repayment of loan amount. From the 20 groups most of the members utilize the loan for income generation activities.

8 Self Help Groups are linked with Bank of Maharashtra has recovered the loan amount of ₹ . 330785 which is 86.67% and ₹ . 50890 amount is overdue. Where the loan amount is ₹. 50890 which is 10% of credit disbursed. The State Bank of India shows 92% loan recovery by paying ₹ . 286764 against loan amount and overdue is ₹ . 24936. The highest recovery rate 94.67% seen from the Self Help Groups linked with Union Bank of India and overdue is ₹. 7224. Majority of members are investing their loan in income generating activities like- setting up of petty shops, buying Buffalo, purchase of manufacturing machines (Noodles, Pickles, Chips, etc.) the members of SHGs creates self employment and also employment opportunities to others. The above table reveals that the loan recovery performance of SHGs in this study is satisfactory. Bank of Baroda has 82.67% loan recovery and ₹. 8918 amount of loan is overdue.

Repayment of loans availed from various sources according to the repayment schedules is absolutely essential for enabling the financial institutions to recycle their funds. The repayment performance is one of the indicators of sound micro finance programme.

Table No.4.6

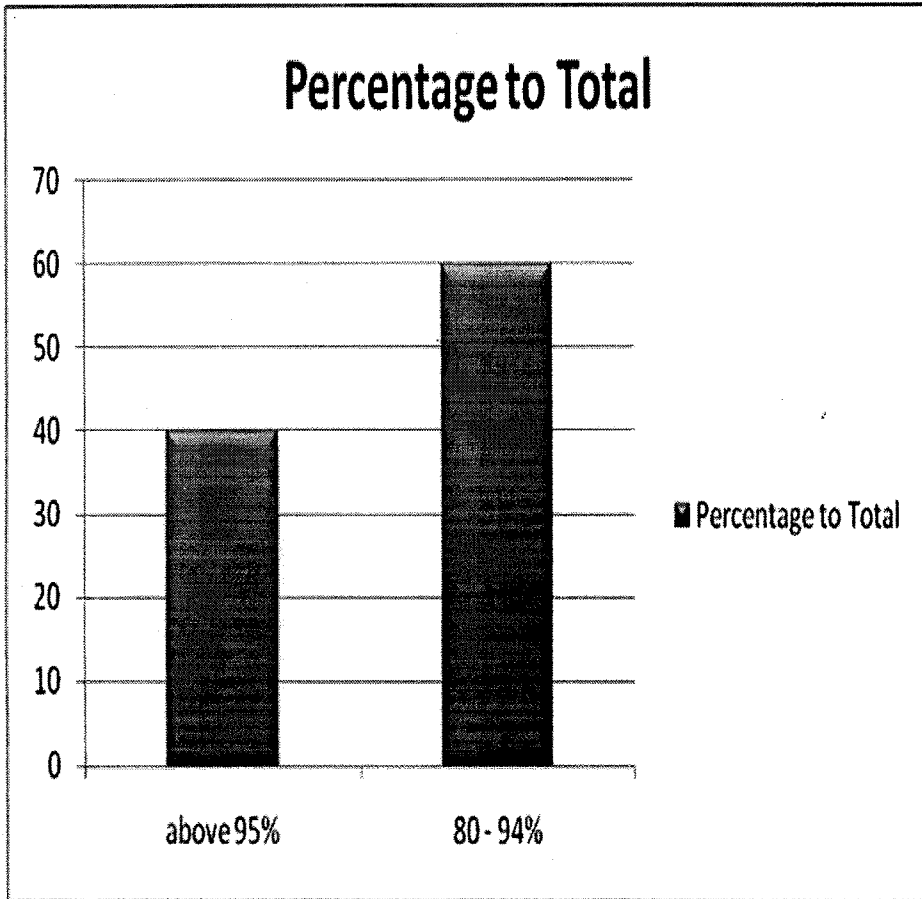
Recovery Performance of Self Help Groups Linked with Public Sector Banks

Sr. No.	Name of the Bank (Linked With Self Help Groups)	No. of Self Help Groups (N:40)	No. of Self Help Groups based on Percentage	
			Distribution of recovery of bank loans for the year 2011-12	
			above 95%	80 - 94%
1	Bank of India	20	7	13
2	Bank of Maharashtra	8	4	4
3	State Bank of India	6	2	4
4	Union Bank of India	4	2	2
5	Bank of Baroda	2	1	1
	Total	40	16	24
	Percentage to total	100	40	60

(Source: Field Survey)

Figure No. 4.5

Distribution of recovery of bank loans for the year 2011-12



The table No.4.6 and figure 4.5 disclose recovery performance of Self Help Groups linked with public sector Banks. 7 Self Help Groups linked with Bank of India recovered more than 95% or 95%, 13 Self Help Groups loans are recovered between the range of 80 to 94%. They are on the way of success The Self Help Groups linked with Bank of Maharashtra are 8 out of 8 Self Help Groups 4 Self Help Groups are recovered more than 95% or 95% loan 4 Self Help Groups are recovered between the range of 80 to 94% , 2 Self Help Groups recovered 95% & more than 95%, 4 Self Help Groups recovered 80 to 94% loan of State Bank of India. Union Bank of India's out of 4 Self Help Groups 2 Self Help Groups recover 95% & more than 95% and 2 Self Help Groups recovered 90 to 94% loan. 1 Self Help Group linked with Bank of Baroda recovered more than 95% or 95% and another 1 Self Help Group recovered between the ranges of 80 to 94%.

4.1.5 Outstanding Loan: -

Every Self Help Group has responsibility to pay a loan within time. Satisfactory loan repayment shows the functioning of Self Help Groups. Outstanding loan means non-performing assets. If the loan should not cover within time and at proper amount of rupees it should be non performing asset of the bank.

The tale no 4.7 shows the loan outstanding rate.

Table No. 4.7

Outstanding Loan Range

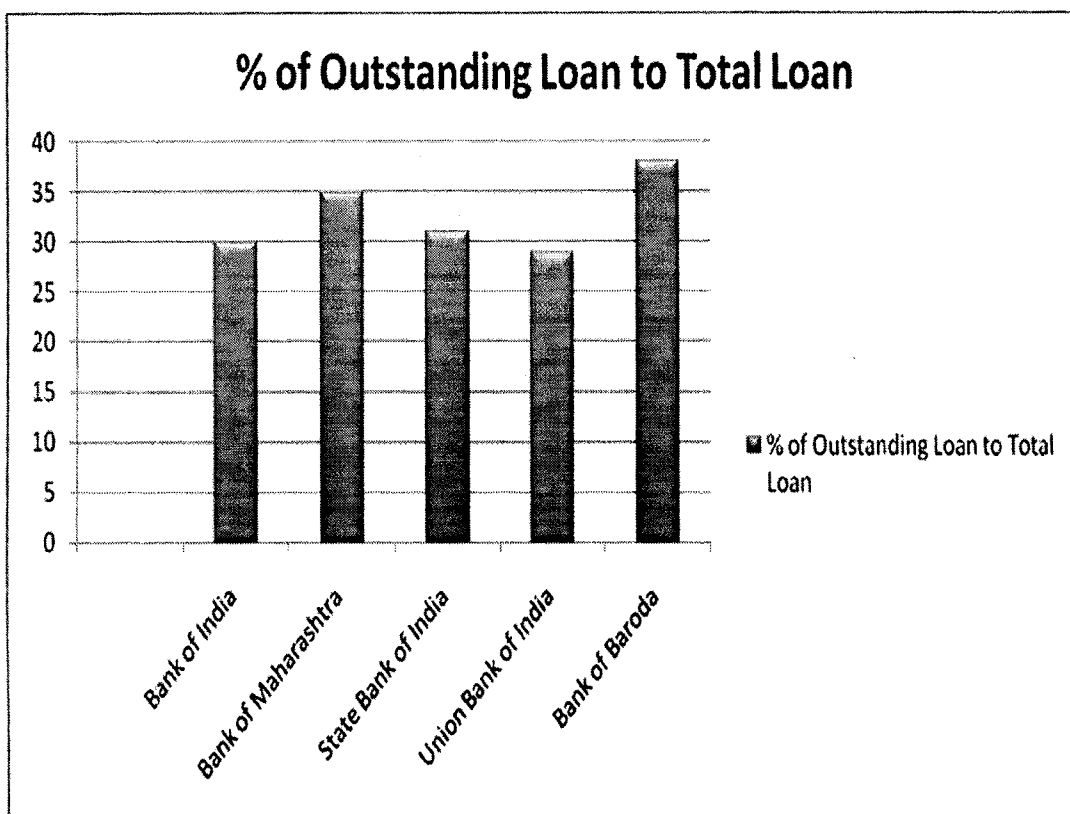
Sr. No.	Name of the Bank	No. of Self Help Groups	No. of Members	Credit Disbursed	Outstanding Loan	% of Outstanding Loan to Total Loan
1	Bank of India	20	360	1040500	312150	30
2	Bank of Maharashtra	8	145	508900	178115	35
3	State Bank of India	6	108	415600	128836	31
4	Union Bank of India	4	72	180600	52374	29
5	Bank of Baroda	2	36	68600	26068	38

(Source: Field Survey)

It is seen from the above table no.4.7 that outstanding loan range of public sector banks in study area. 20 Self Help Groups linked with Bank of India shows ₹.312150 amount of outstanding loan. 8 Self Help Groups of Bank of Maharashtra Shows ₹.178115 outstanding loan ₹. 128836 amount of loan is outstanding of 6 Self Help Groups linked with state bank of India. Union Bank of India shows ₹. 52374 outstanding loan for 4 Self Help Groups. And Bank of Baroda has disclose ₹. 26068 outstanding loan amount for 2 Self Help Groups.

The above analysis shows that 60% to 70% amount of loan is recovered and near about 30% to 40% loan amount is outstanding.

Figure No. 4.6
Outstanding Loan Range



The figure no. 4.6 shows the data related to outstanding loan to total loan. 2 Self Help Groups linked with Bank of Baroda shows highest rate of outstanding loan in all other 4 banks is 38%. 8 Self Help Groups linked Bank of Maharashtra shows amount of outstanding with 35% rate to total loan. According to the total loan ₹. 312150 amount of loan is outstanding where the percentage is 30 to total loan. State Bank of India's 6 Self Help Groups still amount of loan is not paid therefore 31% of loan amount is outstanding and the lowest percentage 29% shown by Union Bank of India's Self Help Groups. Till the amount is not paid which is outstanding loan amount.

4.2 Effects of Self Help Group - Bank Linkage Programmer on Its Members:

In this section the effects of Self Help Group - Bank linkage programmer on its members has been analyzed in detail. The impact of Self Help Group - Bank linkage programmer was measured on the basis of the increase in income due to the financial assistance given to each member. The assistance was to members on

need basis. There may be improvement in the family income after investing that assistance un micro projects. It creates adequate employment and there by generate the required income to enable the family of beneficiaries t move into a higher income group. The impact is said to be favorable. Further an attempt is also made in this section to assess the effects of Self Help Group - Bank linkage programmer on its members. This section is discussed under following heading.

4.2.1 Investment Pattern

4.2.2 Employment Generation or Utilization of Credit

4.2.3 Increase in Income.

4.2.4 Benefits Received By Members of Self Help Groups

4.2.5 Problems Faced By Self Help Groups in Implementing the Financing Scheme.

The primary objective of Self Help Group - Bank Linkage Programme is to raise the income of the Self Help Group member household by handing over to them a productive asset.

4.2.1 Investment Pattern

The investment pattern of members has been categorized in five groups. It is not possible to expect all the five groups can invest in the productive projects one can consider that some progress is achieved if a household moves from the lower income group to a higher income group.

It could be seen that the 5 public sector Banks provided ₹.2214190 to 40 Self Help Groups. The members of every Self Help Group borrowed internally the average amount as the table no. 4.8 & figure 4.5 shows the utilization of credit. And also shows amount of investment made in micro projects by women members such as- Buffalo buying cloths, & Jewellery selling, petty shop, Tail ring, purchase of chips, noodles. Papad & pickles making machines etc.

The investment amount ranged form ₹. 10000 to ₹. 80000. The following Table No. 4.8 disclose the investment pattern of Self Help Group members. The Self Help Groups linked with Bank of India are 8. only 2 Self Help Groups invested up to ₹.10000. Investment pattern of 3 Self Help Groups is ₹. 10000 to ₹.25000 - 6 Self Help Groups ₹.25000 to ₹. 50000 – 5 Self Help Groups ₹.50000 to ₹. 60000 and 4 Self Help Groups invested ₹. 60000 to ₹.80000. There are 8

Self Help Groups Linked with Bank of Maharashtra. Invested up to ₹.10000 by only 1 Self Help Group. ₹. 10000 to ₹. 25000 2 Self Help Groups and ₹.25000 to ₹.50000 - 2 Self Help Groups and ₹.50000 to ₹.60000 amount invested by 1 Self Help Group. The highest amount invested by 2 Self Help Groups for income generation activities.

There is no any Self Help Group linked with State Bank of India invested up to ₹. 10000. 1 Self Help Group invested ₹.10000 to ₹.25000 another 1 Self Help Group invested ₹. 25000 to ₹.50000 and highest portion of amount ₹.50000 to ₹.60000 & ₹. 60000 to ₹.80000 invested by 2 respective Self Help Groups

1 Self Help Group linked with Union Bank of India & 1 Self Help Groups linked with Bank of Baroda invested ₹. 25000 to ₹.50000 - 2 Self Help Groups of Union Bank of India & 1 Self Help Groups of Bank of Baroda invested ₹.50000 to ₹.60000 and 1 Self Help Group of Union Bank of India invested ₹. 60000 to ₹.80000 amount in micro projects.

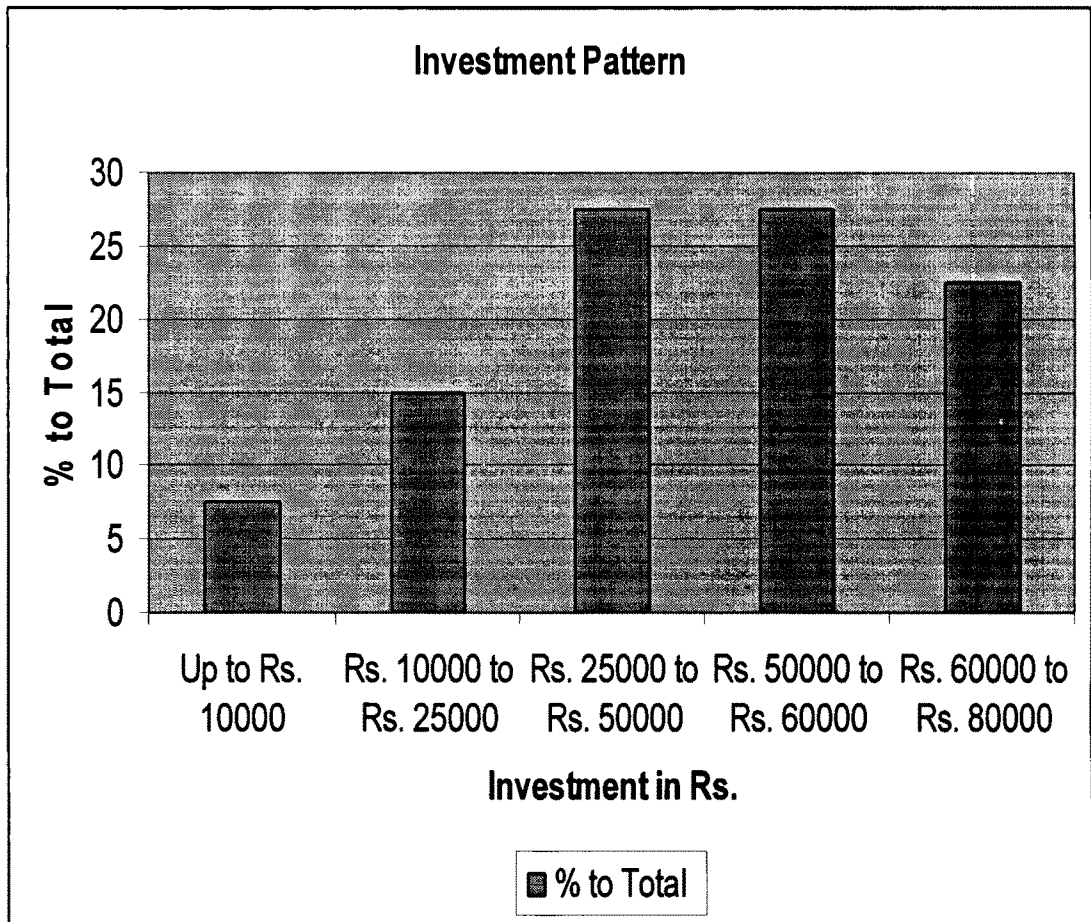
The investment pattern of Self Help Groups shows the productive investment for various purposes. The most common purpose of Self Help Groups is to generate the income and improve the status of women in society. Self Help Groups also encourages the women members to break the four walls system and fly in the sky. Then the sky is limit to rural women for their progress.

Table No. 4.8
Investment Pattern

Sr. No.	Name of the Bank	No. of Self Help Groups	Up to ₹ 10000	₹. 10000 to ₹. 25000	₹. 25000 to ₹. 50000	₹. 30000 to ₹. 40000	₹. 40000 to ₹. 50000
1	Bank of India	20	2	3	6	5	4
2	Bank of Maharashtra	8	1	2	2	1	2
3	State Bank of India	6	0	1	1	2	2
4	Union Bank of India	4	0	0	1	2	1
5	Bank of Baroda	2	0	0	1	1	0
	Total	40	3	6	11	11	9
	% of Investment Pattern to Total	100	7.5	15	27.5	27.5	22.5

(Source: Field Survey)

Figure No. 4.7



As revealed in the above figure no. 4.7 it could be noted that on whole 27.5% of women have invested ₹. 25000 to 50000 and ₹. 50000 to 60000 invested by 27.5% women members more than half of the sample 55%. Women members invested ₹. 25000 to 60000 in micro projects of small businesses 15% members invested ₹. 10000 to 25000 and highest amount of money Rs . 60000 to 80000 invested by 22.5% Self Help Group members and lowest upto ₹. 10000 amount is invested by women members.

4.2.2 Employment Generation –

Income Generation is the major thrust of the micro credit programme for the Self Help Group's Women Members. This programme is initiated to promote the members to make the investment in the micro projects. Which leads to self employment and generation of employment opportunities to others. These micro entrepreneurs are provided with financial assistance to acquire a productive asset and expected to generate employment of the beneficiaries. As the members invest

in the micro projects according to their convenience they generate the self employment and also employment to others. The table no. 4.9 reveals the data related to employment generation through various ways.

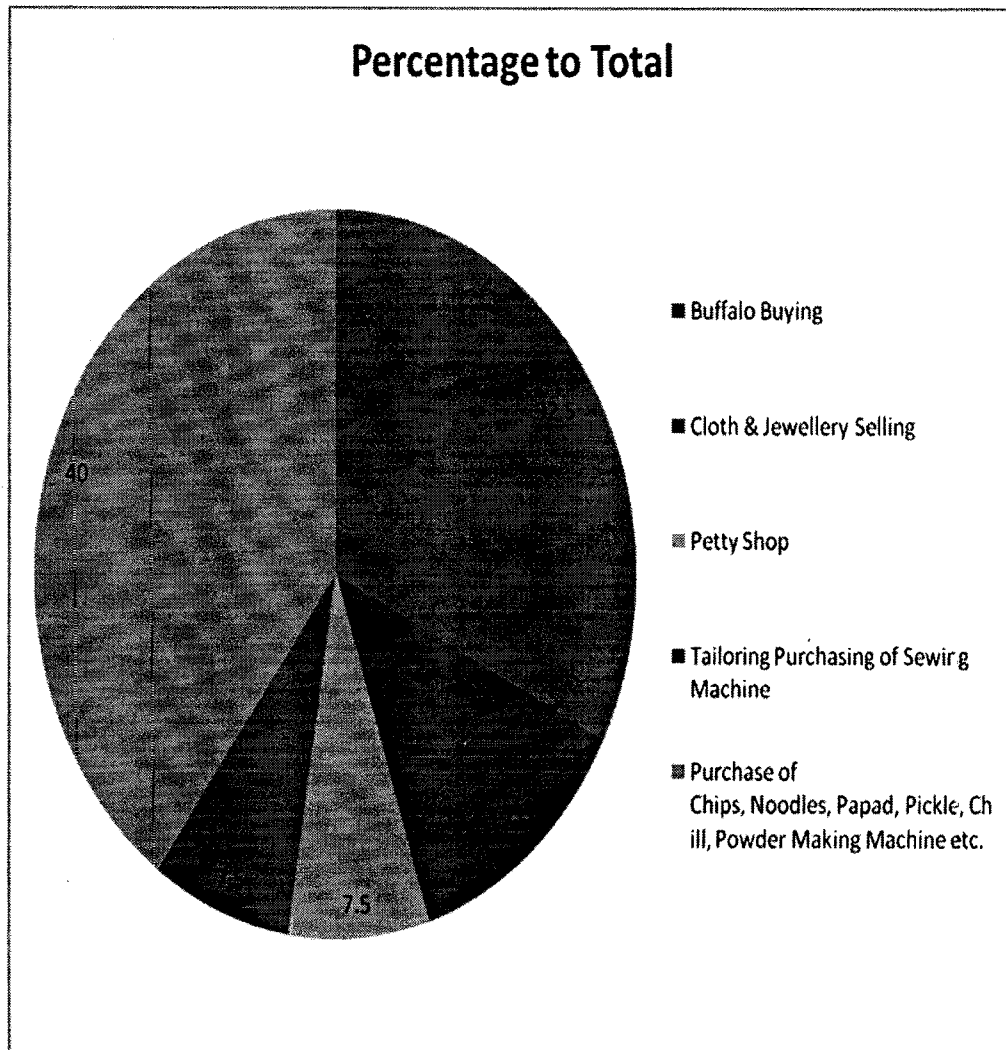
The major advantage (in a way it's a big achievement) which the members see in forming the Self Help Group, is that they offer the freedom from the money lenders. No penal interest is charged if a member is unable to repay the loan on time. Therefore most of the members take the advantage of credit to generate the employment and provides the employment to the needy members to increase their income. Most of the members in this study using the finance for income generation but there are also some members who using their credit for other purposes. The loan repayment is very easy to the members who using the credit for income generation activities. The functioning of group is also depends upon the credit utilizing by the members.

Table No. 4.9
Employment Generation

Sr. No.	Name of the Bank	No. of Self Help Groups	Details of Credit Utilization				
			Buffalo Buying	Cloth & Jewellery Selling	Petty Shop and other purposes	Tailoring Purchasing of Sewing Machine	Purchase of Chips, Noodles, Papad, Pickle, Chill, Powder Making Machine etc.
1	Bank of India	20	6	2	2	1	9
2	Bank of Maharashtra	8	2	1	1	1	3
3	State Bank of India	6	2	2	0	1	1
4	Union Bank of India	4	2	0	0	0	2
5	Bank of Baroda	2	1	0	0	0	1
	Total	40	13	5	3	3	16
	% to Total	100	32.5	12.5	7.5	7.5	40

(Source: Annual Reports of Banks)

Figure No. 4.8
Employment Generation



The above table No. 4.9 and figure 4.8 disclose the data related to purpose of credit utilization credit utilization is basic motive of members to join the Self Help Groups. There are total 40 Self Help Groups out of 20 Self Help Groups are linked with Bank of India among them 6 Self Help Groups generate the employment through buying the buffaloes 2 Self Help Groups utilize the credit for Cloth & Jewellery selling purpose 2 Self Help Groups invest the amount in Petty Shop & 1 Self Help Group in purchase of Sewing Machine. The major portion of group which is 9 Self Help Groups Generate the employment by purchase of Chips, Noodles, Papad, Pickles & Chili, Powder Making Machines

There are 8 Self Help Groups linked with Bank of Maharashtra out of 8 Self Help Groups, 2 Self Help Groups utilize the finance for self employment

through buffalo buying. 1 Self Help Group utilize the finance for cloth and jewellery selling, 1 Self Help Group for petty shop and other purposes and for tailoring 1 Self Help Group and the major part of Self Help Groups (3 Self Help Groups) utilize the finance for the employment generation such as - Purchase of Chips, Noodles, Papad, Pickle, Chill, Powder Making Machine etc.

2 Self Help Groups linked with State Bank of India financed for buffalo buying, 2 Self Help Groups financed for cloth and jewellery selling, 1 Self Help Group utilize the finance for tailoring and 6th Self Help Group utilized credit for income generation through Purchase of Chips, Noodles, Papad, Pickle, Chill, Powder Making Machine etc.

4 Self Help Groups linked with Union Bank of India utilize the finance for buffalo buying and for income generation through Purchase of Chips, Noodles, Papad, Pickle, Chill, Powder Making Machine etc. for these two purposes 2 and 2 Self Help Groups respectively utilize the finance. There are 2 Self Help Groups linked with Bank of Baroda out of these to Self Help Group 1 Self Help Group utilize finance for buffalo buying and another 1 for the Purchase of Chips, Noodles, Papad, Pickle, Chill, Powder Making Machine etc.

40% Self Help Groups generate the employment through Purchase of Chips, Noodles, Papad, Pickle, Chill, Powder Making Machine etc. Which is a convenient way of income generation to the women members in Shirol Taluka.

32.5% Self Help Groups utilize the finance for buffalo buying which is a suitable work of rural women in Shirol Taluka.

12.5% Women members invest their loan in the cloth and jewellery selling business and generate the income.

4.2.3 Increase in Income

The data relating to the income of members has been collected at two points that means initial stage of Self Help Groups (2010-2011) and after one year the same data has been collected for the same Self Help Groups for the year (2011-12). A one year gap has given for the financial assistance to produce the necessary impact on the level of income therefore the data of income has been collected in the year 2011-12.

The following Table no. 4. 10 show the Increase in income & investment made by Self Help Group members (women) in micro projects. Bank wise incremental income analysis has made.

Table No- 4.10
Increase in Income

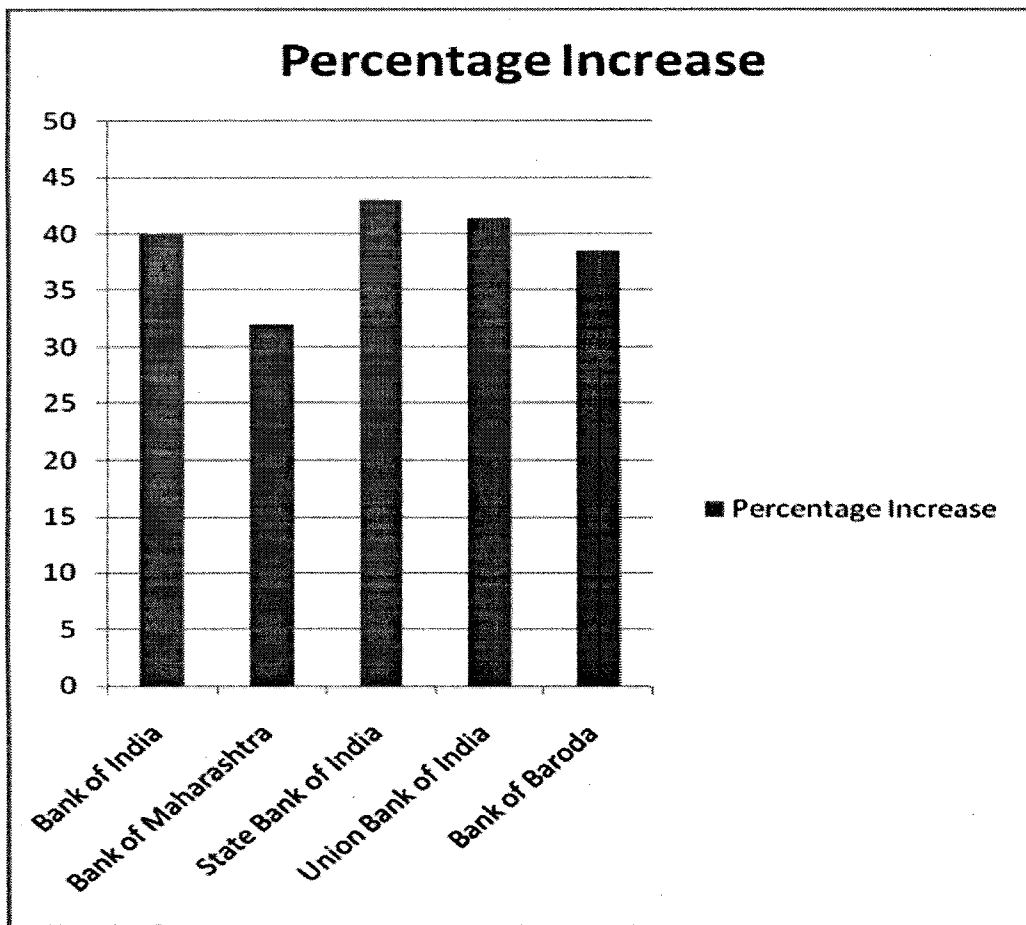
Sr. No.	Name of the Bank	No. of Self Help Groups	2010-11 (At the initial stage of Self Help Groups) Mean Income	2011-12 (After one Year of credit disbursement) Mean Income	Percentage Increase
1	Bank of India	20	35655	59425	66.66
2	Bank of Maharashtra	8	49470	72750	47
3	State Bank of India	6	44365	77833	75.43
4	Union Bank of India	4	71937	50875	45.15
5	Bank of Baroda	2	22986	37375	62.59
	Total	40	224413	298258	296.83

(Source: Field Survey)

The table no. 4.10 and figure no. 4.9 shows the increased percentage of income of Self Help Group members. 20 Self Help Groups linked with Bank of India shows 66.66% increase. 47% increase in income disclose by 8 Self Help Groups linked with Bank of Maharashtra. 75.43% which is highest increase in income shows by State Bank of India. 45.15% and 62.59% increase shows by Union bank of India and Bank of Baroda respectively.

The highest percentage of income shown by State Bank of India. This indicates that the members are utilizing the loan for proper income generating opportunities. The very less percentage of increase seen by Union Bank of India because the members are using the finance for highest investment amount where the risk factor is responsible for failure. Therefore the amount of profit also at lower range.

Figure No. 4.9
Increase in Income



4.2.4 Degree of Empowerment Traits (Attributes) of SHG Members :-

The Self Help Group – Bank linkage programme is a scheme of financing which has brought perceptible changes. As a result of participation in this micro finance programme a large number of women had taken up micro enterprises like manufacturing pickles, noodles, papad, chili and petty shops, jewellery and cloth selling, buffalo buying etc. Apart from the economic changes, tremendous social changes in the study area. Consequently family income had substantially incurred. Women commanded more respect got due affection and rightful place in the family. As a group women have gained more confidence and power.

The table no 4.11 disclose the data related to Degree of Empowerment Traits (Attributes) of Self Help Group Members at two

points before joining Self Help Groups and after joining Self Help Groups by respondent women members.

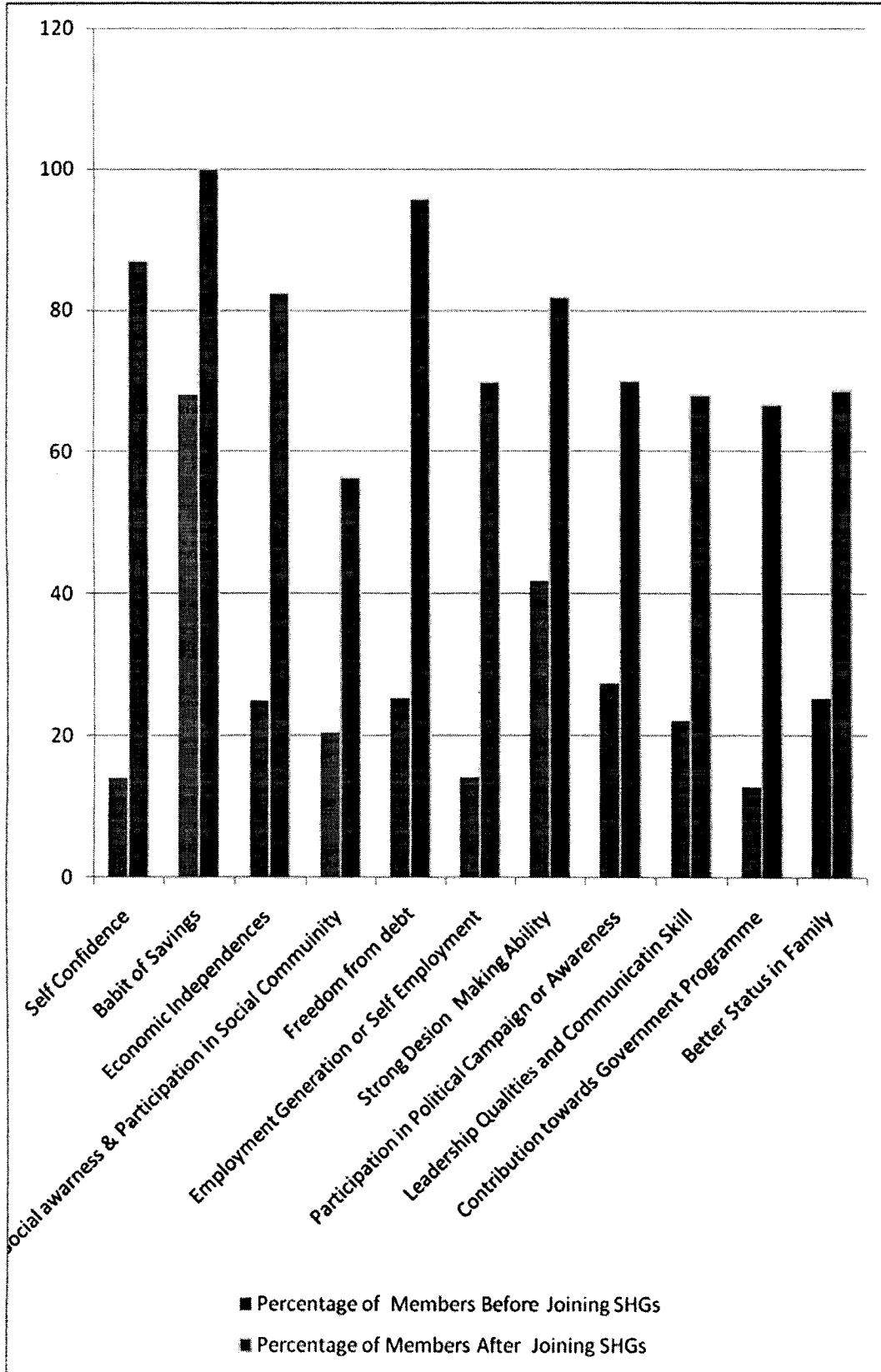
Table No. 4.11
Degree of Empowerment Traits (Attributes) of SHG Members

Sr. No.	Attributes	Attributes having No of Members Before Joining Self Help Groups (N : 721)	Percentage of Members Before Joining Self Help Groups	Attributes having No of Members After Joining Self Help Groups (N : 721)	Percentage of Members After Joining Self Help Groups	Increased Percentage
1	Self Confidence	100	14	627	87	73
2	Habit of Savings	490	68	721	100	32
3	Economic Independences	180	25	594	82	57
4	Social awareness & Participation in Social Community	148	21	406	56	36
5	Freedom from debt	182	25	690	96	70
6	Employment Generation or Self Employment	102	14	503	70	56
7	Strong Decision Making Ability	301	42	590	82	40
8	Participation in Political Campaign or Awareness	198	27	505	70	43
9	Leadership Qualities and Communication Skill	160	22	490	68	46
10	Contribution towards Government Programme	92	13	480	67	54
11	Better Status in Family	182	25	495	69	43

(Source: Field Survey)

Figure No. 4.10

Degree of Empowerment Traits (Attributes) of SHG Members



The above table no. 4.11 and figure 4.10 disclose the data related to the overall development through degree of empowerment traits or attributes. It depends upon the increase in income and improvement in attributes of Self Help Group members before joining and after joining Self Help Groups. 100 members has the trait of self confidence before joining Self Help Groups but after joining Self Help Groups 627 members has increased this trait which shows the 73% increase.

Generally every woman may have the habit of savings. In this study 490 members was this habit before joining the Self Help Group and it increases at 100%. After joining Self Help Groups all the women members show this habit because every month all the members mobilize the thrift. 180 members was economic independence before joining Self Help Groups but after joining Self Help Groups 594 members feel the economic independence. Here 57% members show increase for this attribute. Social awareness and participation in social community is a developmental trait for any person. Here 148 members had the habit before joining Self Help Groups and 406 members develop this trait through the Self Help Groups. It shows 35% increase in members. Freedom from Debt and Better status in family these two attributes show by 182 members before joining Self Help Groups and there is increase in members by 690 and 495 after joining Self Help Groups respectively. Employment generation and self employment is the main intention behind joining of Self Help Group therefore 102 members generate employment opportunities before joining Self Help Groups but after joining Self Help Groups 503 members get the opportunity to generate self employment and employment to others also. This benefit increase the income of members also. 198 members show the participation in political campaign and

awareness before joining Self Help Groups but after joining Self Help Groups 505 members aware about politics. Here 43% members increase their habit. Before joining Self Help Groups 160 members were the trait of leadership and good communication with others but after joining Self Help Groups there is increase in 490 members about these attributes. It shows the 46% increase in members. Today there are various Government programmes for the development of women and poor. 92 members aware about these type of programmes but there is a change in the view of members that 480 members show the interest for this type of attribute.

4.2.5 Problems faced by Self Help Groups in implementing

Financing Scheme :-

Many problems crop up at the operational level scheme. In implementing a poverty alleviation programme like micro credit or Self Help Groups finance the various evaluation studies reviewed earlier highlighted the problems and issues that arose in the implementation of the programme. The basic objective of micro finance is to lift the poor women belonging to the weaker section above the poverty line. The women in the groups face a number of problems in getting them identified obtaining bank loans. In addition to such genuine assets and repaying the loans. In addition to such genuine problems which they are likely to face the women resort to malpractices, mostly out of compulsion or circumstances such as diversion of loans to other purposes, misuse of funds etc. The problems encountered by the Self Help Groups in the study are analyzed here under.

The following Table No. 4.12 discloses the information about problems faced by Self Help Groups in implementing financing scheme.

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Table No. 4.12
Problems Faced By Self Help Group

Sr. No.	Problems	No. of Self Help Groups (N:40)			
		Yes	Percentage to Total	No	Percentage to Total
1	Group Conflict - Lack of Co-ordination & Co-operation	29	72.5	11	27.5
2	Improper Training Facilities	31	77.5	8	20
3	Improper Recovery of Loan	30	75	10	25
4	A Common Problem - that the members will not make productive use of loans	23	57.5	17	42.5
5	Less marketing opportunities for product	31	77.5	9	22.5
6	More Borrowing & Less Outcomes (Profit)	25	62.5	15	37.5
7	Members are not in regular in attending the group meetings and shown less interest in taking decisions at the meetings	35	87.5	5	12.5
8	Banks having different views towards Self Help Groups and Delay in execution of financing Scheme.	16	40	24	60
9	Lack of Entrepreneurial qualities	26	65	14	35
10	Problems in electing selecting the leader of the group	20	50	20	50

(Source: Field Survey)

From the above table it indicates that different problems faced by Self Help Groups. There are total 40 Self Help Groups in this study area 29 Self Help Groups face Group Conflict. Where the Group has lack of co-ordination between the members. 77.5% groups face the improper training. This is a big obstacle to the member to run the Self Help Group. 30 Self Help Groups shows improper recovery of loan. 23 Self Help Groups shows improve recovery of loan. 23 Self Help Groups (57.50%) have common problem that the members have not make proper use. It means misuse of loan. 31 Self Help Groups (means 77.5%) have less marketing opportunities for product therefore they can not achieve the target sales and profit.

More Borrowing and less outcomes (Profit) is one another problem faced 25 Self Help Groups (62.5%). Members participation is very initial stage of success for Self Help Groups but 87.5% (35 Self Help Groups) found the problem of irregularity in meeting attendance and the member of these Self Help Groups shown less interest in taking decision at the meetings 16 Self Help Groups Said about the problem of delay in execution of financing scheme. After getting the loan women interest the money in micro projects but the bank member found that 26 Self Help Groups have lack of Entrepreneurial qualities. There is another big problem in electing and selecting the leader of the group for 20 Self Help Groups which 50% to total Self Help Groups.

In rural area the status of women is not strong therefore women members are not encouraging for the entrepreneurial activities. Lack of entrepreneurial qualities are the major reasons of business failures. The women have narrow minded view because of the male dominated society which is a basic obstacle in the progress of women. The active participation is a necessary thing to run any activity successful. Members are not active or regular in the group meetings and if they attend the meetings then they are not active in the various programmes run by the Self Help Groups. The NGOs are very important in marketing of the products made by the Self Help Groups but the support is not proper to Self Help Groups in this study area. Bank view is other factor for the success of Self Help Groups but banks having different views which leads delay in execution of financing scheme.

Hypothesis Testing

In case of paired data i.e. in the present study individuals are same but the observations are paired based on before and after joining Self Help Groups by members. Here the researcher has selected 'Paired t' Test to find out increase or significant change in self confidence, income, habit of savings and other attributes before and after joining Self Help Groups by respondent women members. With reference to the Table No. 4.11 and page No. 70 the Hypothesis Testing has been done by calculating the value of 't' in the following way.

1. Null Hypothesis :

Null Hypothesis of this study reveals that there is no any difference or significant change in self confidence Income, Habit of Saving and other attributes of Self Help Group members before and after joining Self Help Groups.

$$\text{i.e. } H_0 : \mu_b = \mu_a$$

(μ_b = Attributes having No of Members Before Joining Self Help Groups.)

(μ_a = Attributes having No of Members After Joining Self Help Groups.)

Alternative Hypothesis: -

The Alternative Hypothesis of this study reveals that there is increase (which means significant change) in Self confidence, Income, Habit of Saving and other attributes benefits Self Help Group members after joining Self Help Groups.

$$\text{i.e. } H_1 : \mu_b < \mu_a \text{ [one tailed test]}$$

2. Calculation of Test Statistic :-

Sr. No.	Attributes having No of Members Before Joining Self Help Groups X_1	Attributes having No of Members After Joining Self Help Groups X_2	Difference $D = X_1 - X_2 $	$D^2 = (X_1 - X_2)^2$
1	100	627	-527	277729
2	490	721	-231	53361
3	180	594	-414	171396
4	148	406	-258	66564
5	182	690	-508	258064
6	102	503	-401	160801
7	301	590	-298	83521
8	198	505	-307	94249
9	160	490	-330	108900
10	92	480	-388	150544
11	182	495	-313	97969

$$\bar{D} = |50.09|$$

$$\therefore S = 13.8596$$

$$S. E. (\bar{D}) = 4.1788$$

$$\text{Test Statistic: } |t| = 12.313$$

3. Level of Significance $\alpha = 0.05$

4. Critical Value : -

The critical value of t at $\alpha = 0.05$ for $(11 - 1) = 10$ degrees of freedom for one tailed test $t_{0.05,10} = 1.812$.

5. **Decision** – Since the calculated value of $|t| = 12.313 >$ tabulated $t_{0.05,10} = 1.812$ So, the Null Hypothesis is rejected \Rightarrow Alternative Hypothesis is accepted \Rightarrow That the self confidence, Income, Savings and other attributes has increased after joining Self Help Groups by the respondent women members.

Conclusion:-

The study analyzed the requirement of financing and its fulfillment by bank procedures. Self Help Group has showed the economic and social empowerment of women. The basic strategy adopted to promote empowerment of women through Self Help Groups comprises in organizing women Self Help Groups around savings and rotational credit programme using their own resources, facilitating regular interaction and exchange of information, linking Self Help Groups with Banks etc. imparting skills training to the member to manage their credit and take decisions. Thus it enabling the members to expand their investment capital and develop leadership qualities and self confidence.

Alternative Hypothesis of the study is accepted and Null Hypothesis is rejected by testing the Hypothesis. The attributes of the members are increased or developed in a significant manner. These attributes helping the women members to behave confidently, independently in the society. The finance by bank is a life line to Self Help Groups. And the Self Help Groups are surviving the members providing micro finance by taking the help of life line which provides by the bank.

Microfinance has emerged as a vital approach to meet the heterogeneous needs of the poor. Providing women with financial credit and helping them to set up small enterprises thus enabling them to increase their earning is considered as a means of poverty reduction and economic empowerment. In India, microfinance in the formal sector has assumed the form of Self Help Group – Bank Linkage Programme.

Thus the scene of financing to women evolve through the Self Help Group in the study area for collecting savings consumption and products credit at group level initiating micro projects. Integrating economic & social goals for empowerment of women members. Paucity of information and Self Help Group members' ignorance of rules and regulations leads to perceptions that bank linkage would lead to potential indebtedness. So they said they are happier off without banks. They also feel that with credit available from the bank they could think of starting their own individual activities to augment their income and therefore still aspire to get bank linked.
