

Growth of Bank Linkages in Haryana: An Impact of Self Help Groups

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Abstract: Growth of bank linkages programme is beneficial for SHGs and improvement of Haryana state. SHGs play important role remove the poverty and women empowerment as well as living standard of SHGs members. There are three institutions in India and Haryana are RRB, commercial banks and co-operative banks or another non-financial institution providing lone for SHGs viz. NGO and NABARD. The main objectives in this paper find out the growth rate of SHG-Bank Linkages programme. This study based on secondary data and data have been collecting from NABARD reports. The important findings of this paper growth of SHG-Bank Linkages programme was decline over the period of time. Here significance relationship find the between no. of SHGs and saving amount or Bank Loan disbursement in Haryana. There is no significance relationship find no. SHGs and Bank Loan outstanding against to SHGs in Haryana

Keyword: SHGs, Growth Rate, Saving Amount, Bank Loan Disbursement, Bank Loan Outstanding Against To SHGs.

I. Introduction

The SHGs movement started in Bangladesh by Mohamed Yunus. It is a new and innovative concept it's organized in Bangladesh. SHGs mission to help the poor peoples of the country. These peoples are not able to access to credit by financial organization, and there for were dependency of money lenders and another unorganized financial institution. SHGs helpful to provided all financial services to poor people of society especially for women. NABARD introduced the SHG- bank linkage programme as behalf of pilot study in 1992. After that RBI announced the SHG- Bank Linkages programme achieving by commercial banks. All scheduled commercial banks like public banks, private banks, RRB banks and others participated and do the help and provide all financial need to SHGs. This programme was successful maintained by all RRB, NABARD, commercial, cooperative and NGO, and they provided the financial assistances to poor peoples. This paper is an attempt to analyses the SHGs movement in Haryana as there are helpful in order to improve economic growth of state. This study is analytical and based on secondary data which has been collected from NABARD reports.

Self Help Groups

Since 1994, Lead and Resource Centre CORD Sidhbari announce the concept of the Self Help Group in India. Since 1999 NABARD selected CORD as the "Mother NGO" for the Self Help Group and assigned tasks to help provide training at all levels for Northern States such as Himachal Pradesh, Punjab, Haryana and Jammu & Kashmir.

Self help groups provide loan for poor people and encourage them to start up self employment and increase saving habit and improve the living standard of SHGs members. The common principles of SHGs are democratic approach, equality decision making, self-helping, and members' development. SHGs aim to empower the poor women. SHGs play an important role to encourage the social, economic status of women and country also. SHGs act as the key factor for women empowerment. SHGs are a group of 10-20 men and women working together. The Goal of the SHGs is to change the social-economic status of members.

Members of the SHGs are women therefore participation of women in the country's economic development is increasing. They also play an important role in elevating the economic status of their families. This has given a boost to the process of women's empowerment.

SHGs Bank Linkages Programme

Since 1992 NABARD started the SHG- Bank Linkages programme with the help of RBI. The work of SSBL programme to provide the finance for poor and disadvantage people of society and improving economic growth of country and remove the poverty status of people. It's provided the credit for poor people to setup the business. Since 1996 this programme was directed linked by commercial, cooperative and RRB in India. Target of these banks help the SHGs members and these peoples are not able to open own account in banks, his account

opened in through SHGs in banks. SSBL programme linked not only for organized banks but its linked on NGO and voluntary organization in country.

There are important model of SHG- Banks Linkages Programme:

Models 1- in this model banks are directly interferes and deals with SHGs. Under this process banks are opened the account of SHGs members own their behalf.

Models 11- above the models banks are directly deal with banks but under this model banks are provide economic help of SHGs members. They provided lone and work on grown up SHGs and promote in between society.

Models 111- that model NGOs and non- organized institution are working from financial intermediate between SHGs and banks. They are responsible to provide credit among SHGs member directly. Where SHGs and NGO are help the organized and funded financial institution to preparing credit applications, recoveries and supervised the lone by customer.

Statement of the Problem

This study is undertaken to analyze the structure, conduct and performance of self-help groups and their impact on the growth of bank linkages in Haryana.

Objective of the study:

- To examine the growth of SHGs on development in Haryana.
- To examine the growth of SHGs Bank-Linkage programme in Haryana.

Hypothesis:

H₀: There is no significance relationship between No. of SHGs and Bank Loan outstanding Against SHGs in Haryana.

H₁: There is significance relationship between No. of SHGs and Bank Loan outstanding Against SHGs in Haryana.

H₀: There is no significance relationship between No. of SHGs and saving amount SHGs in Haryana.

H₁: There is significance relationship between No. of SHGs and Saving amount SHGs in Haryana.

H₀: There is no significance relationship between No. of SHGs and Bank Loan Disbursement SHGs in Haryana.

H₁: There is no significance relationship between No. of SHGs and Bank Loan Disbursement SHGs in Haryana.

II. Review of the literature

Rao and Radika (2011) the study analyzed the impact of SHGs in the people of society, skills and knowledge of member and developed of human capital. The study also highlighted the microfinance institution is beneficial to remove poverty and economic development. This study was quantitative behavior and data have been taken from SHGs in Deccan Garameen Bank. This study used simple Regression methods. In this study found SHGs was helpful to improve the status of society and wellbeing of member, improved skills and create social and human capital. This study also concluded that poverty is major issues, Microfinance institution does not remove but they help the poor family setup your business. **Batra (2012)** the study concluded that in Haryana many financial institution and agency are works and help full to grow the SHGs. Microfinance programme SGSY agency was provided higher amount of loan SHGs and its special focused on BPL families. This study also concluded the Mewat Distt. Developments authorities are major role played encourage the SHGs and Women empowerment. **Das & Bhowal (2013)** this study deliberated the Quality assessment of SHGs through opinion of promoters, institution and Ngo's regarding the parameters to quality of SHGs. This study based on multistage simple random sampling selected block of Nagaon Distt of Assam. This study used descriptive statistic and put reliability test, Kruskal Wallis Test to measured quality. This study concluded that there are no differences between the opinions of all stakeholders regarding the permanent of SHGs quality assessment. **Maheshwari & Goyal (2014)** this study investigated the how to work in SHGs make a disadvantage section of the society, landless farmers and poor women. This study based on previous year's literature. The study explored that different literature found different aspect of women empowerment through SHGs. This study also found that SHGs was helpful to make empower the poverty in grassroots, because poverty is a global concern.

III. Methodology

Present study based on secondary data and data have been collected from NABARD and Ministry of rural development report. Full fill the objectives collected 7 year data related to Self help Group Bank linkages programme in Haryana. This study based on the quantitative analysis and statistical techniques used their study these are simple growth rate, T- test. In this study taken some parameters lone disbursement, saving, banks loans

outstanding against SHG and number of self help group under commercial, RRB and co-operative banks in Haryana. The data have been collected from banks wise and we can see that total of the banks.

IV. Analysis of Data

4.1 To examine the growth of SHGs on development in Haryana.

Indicators of this objective are following:

1. **Progress under Microfinance** – Bank Loan disbursed to SHGs in Haryana.
2. **Progress under Microfinance** – Savings of SHGs with Banks in Haryana.
3. **Progress under Microfinance** – Bank Loans Outstanding against SHGs in Haryana.

Table 1.1: Progress under Microfinance – Bank Loan disbursed to SHGs in Haryana.

So. No	Agency	Year	no. of SHGs	growth %	bank loan	growth %
1	cb+rrb+cob	2008	2582		2613.89	
2	cb+rrb+cob	2009	4573	77.11	6383.91	144.23
3	cb+rrb+cob	2010	4023	-12.03	4669.74	-26.85
4	cb+rrb+cob	2011	4789	19.04	6243.46	33.70
5	cb+rrb+cob	2012	3865	-19.29	6195.93	-0.76
6	cb+rrb+cob	2013	3241	-16.14	5156.39	-16.78
7	cb+rrb+cob	2014	1920	-40.76	3060.62	-40.64

Sources: NABARD annual reports

The growth of no. and Bank Loan disbursed to SHGs in Haryana shows the upper table 1.1. in this table it can see that no. of SHGs in 2008 all scheduled commercial Banks (CB-commercial bank, RRB-regional rural bank and COB- co-operative banks) was 2582. They increased last in period 2011 was 4789 after this decline in continuous manner at last 2014 was 1920. The growth of SHGs in Haryana in 2009 was 77.11 after that its decrease rapidly and 2014 was -40.76 percent. They indicate that growth of no. of SHGs was decline rapidly.

The growth of no. and Bank Loan disbursed to SHGs in Haryana shows the upper table 1.1. In this table it can see that Bank Loan disbursed to SHGs in 2008 all scheduled commercial Banks (CB-commercial bank, RRB- regional rural bank and COB- co-operative banks) was 2613.89. They increased but decline rate at last in period 2014 was 3060.62. The growth of Bank Loan disbursed to SHGs in Haryana in 2009 was 144.23 after that its decrease rapidly and 2014 was -40.64 percent. They indicate that growth of Bank Loan disbursed to SHGs was increasing but decline rate.

Table 1.2: Progress under microfinance- Saving of SHGs with banks in Haryana

So. No	Agency	Years	TOTAL SHGs	growth %	Saving amount	growth %
1	CB+RRB+COB	2008	23570		1365.15	
2	CB+RRB+COB	2009	33257	41.10	254.93	-81.33
3	CB+RRB+COB	2010	36762	10.54	10762.55	4121.77
4	CB+RRB+COB	2011	35319	-3.93	9920.45	-7.82
5	CB+RRB+COB	2012	44184	25.10	3678.35	-62.92
6	CB+RRB+COB	2013	42580	-3.63	4030.73	9.58
7	CB+RRB+COB	2014	43029	1.05	4539.47	12.62

The growth of no. and saving amount to SHGs in Haryana shows the upper table 1.2. In this table it can see that no. of SHGs in 2008 all scheduled commercial Banks (CB-commercial bank, RRB- regional rural bank and COB- co-operative banks) was 23570. They increased by 2008 to 2014 was 43029 in continuous manner .The growth of SHGs in Haryana in 2009 was 41.10 after that its decrease rapidly and 2014 was 1.05 percent. They indicate that growth of no. of SHGs was decline rapidly.

The growth of no. and Saving Amount of SHGs in Haryana shows the upper table 1.2. In this table it can see that saving Amount to SHGs in 2008 all scheduled commercial Banks (CB-commercial bank, RRB-regional rural bank and COB- co-operative banks) was 1365.15. They increased but decline rate at last in period 2014 was 4539.47. The growth of Saving Amount to SHGs in Haryana in 2009 was -81.33 after that its increase rapidly in 2010 was 4121.77 and 2014 were 12.62 percent. They indicate that growth of Saving Amount of SHGs was increasing but decline rate.

Table 1.3: Progress under Microfinance – Bank Loans Outstanding against SHGs

So. No	agency	Years	total no. of SHGs	growth %	total bank lone	growth
1	CB+RRB+COB	2008	10967		10742.07	
2	CB+RRB+COB	2009	15312	39.62	12,414.37	15.57
3	CB+RRB+COB	2010	15802	3.20	15507.44	24.92
4	CB+RRB+COB	2011	19369	22.57	19826.8	27.85
5	CB+RRB+COB	2012	21433	10.66	20575.01	3.77
6	CB+RRB+COB	2013	23294	8.68	26397.41	28.30
7	CB+RRB+COB	2014	20656	-11.32	24025.96	-8.98

The growth of no. and Bank Loans Outstanding against SHGs in Haryana shows the upper table 1.3. In this table it can see that no. of SHGs in 2008 all scheduled commercial Banks (CB-commercial bank, RRB-regional rural bank and COB- co-operative banks) was 10967. They increased by 2008 to 2014 was 20656 in continuous manner .The growth of SHGs in Haryana in 2009 was 39.62 after that its decrease rapidly and 2014 was -11.32 percent. The growth of SHGs in increasing 2009-2013 after that they decline rapidly. They indicate that growth of no. of SHGs was increased but declining rate.

The growth of no. and Bank Loans Outstanding against SHGs in Haryana shows the upper table 1.3. In this table it can see that Bank Loans Outstanding against SHGs in 2008 all scheduled commercial Banks (CB-commercial bank, RRB- regional rural bank and COB- co-operative banks) was 10742.07. They increased rapidly at last in period 2014 was 24025.96. The growth of Bank Loans Outstanding against SHGs in Haryana in 2009 was 15.57 after that its increase rapidly in 2012 was 28.30 and 2014 were decline and left -8.98 percent. They indicate that growth of Bank Loans Outstanding against SHGs was increasing but decline rate.

Upper three tables 1.1, 1.2 and 1.3 finds that growth of SHGs banks linkages programme is decline over the periods of time. Reasons are that revised this programme in Haryana. In 2013 SHGs programme connected by Haryana state rural livelihood mission. HSRLM under organized and setup new self help groups and old groups are improved.

4.2 To examine the growth of SHGs Bank-Linkage programme in Haryana.

For the purpose of study to analysis the growth of SHGs Bank Linkages through indicator like no. of SHGs, bank loan disbursement and bank loan outstanding against to SHGs. Fulfill the objective using Paired Samples Test.

Table :1.4 Paired Samples Test

		Paired Differences					T	Df	Sig. (2-tailed)
		Mean	Std. Deviation	Std. Error Mean	95% Confidence Interval of the Difference				
					Lower	Upper			
Pair 1	NO. of SHGs - bank lone outstanding against SHGs	-388.0085714	2.2128989E3	836.3971582	-2.4345987E3	1.6585815E3	-.464	6	.659

The growth of no. and Bank Loans Outstanding against SHGs in Haryana shows the upper table 1.4.

The No. of SHGs and amount of bank loans outstanding against SHGs of various banking institution like, CBs, RRBs and Co-operative Banks have been compared and analyzed using T-statistics Paired sample test. There is in-significance relationship between No. of SHGs and bank loan outstanding against to SHGs. The calculated paired sample test its can be seen that sig. 659 is greater than alpha level at 0.05 percent level of significance, the hypothesis are accepted. They concluded that significance difference between no. Of SHGs and amount of bank loans outstanding against SHGs are concerned. Here we can see that increase and decrease of loan outstanding amount does not depend upon no. of self help groups because it depends upon the loner nature.

The growth of no. and saving amount SHGs in Haryana shows the table 1.5.

The No. of SHGs and saving amount in SHGs of various banking institution like, CBs, RRBs and Co-operative Banks have been compared and analyzed using T-statistics Paired sample test. There is significance relationship find between No. of SHGs and saving amount in SHGs. The calculated paired sample test its can be seen that

sig.000 is lesser than alpha level at 0.05 percent level of significance, the hypothesis are rejected. They concluded that significance difference

Table:1.5 Paired sample test

	Paired Differences					t	Df	Sig. (2-tailed)
	Mean	Std. Deviation	Std. Error Mean	95% Confidence Interval of the Difference				
				Lower	Upper			
Pair No. of SHG - 1 Saving amount	32021.33857	7459.72164	2819.50976	25122.24673	38920.43042	11.357	6	.000

between no. of SHGs and saving amount of SHGs are concerned. This study also concluded that when increasing and decreasing no. of accounts there is create a impact of saving.

Table: 1.6 Paired Samples Test

	Paired Differences					T	df	Sig. (2-tailed)
	Mean	Std. Deviation	Std. Error Mean	95% Confidence Interval of the Difference				
				Lower	Upper			
Pair no. of shg - 1 bank lone disbursed to SHGs	-1332.99143	793.62491	299.96202	-2066.97205	599.01081	-4.444	6	.004

The growth of no. and Bank Loans disbursed to SHGs in Haryana shows the upper table 1.4.

The No. of SHGs bank lone disbursed to SHGs of various banking institution like, CBs, RRBs and Co-operative Banks have been compared and analyzed using T-statistics Paired sample test. There is a significance relationship finds between No. of SHGs and bank lone disbursed to SHGs. The calculated paired sample test its can be seen that sig.004 is lesser than alpha level at 0.05 percent level of significance, the hypothesis are rejected and accept alternative. They concluded that significance difference between no. Of SHGs and bank lone disbursed to SHGs are concerned. This study also concluded that when increasing and decreasing no. of accounts in SHGs there is impact of bank loan disbursement through SHGs.

V. Conclusion:

In this study shows that no. of SHGs and saving amount was increasing last year but decline growth rate. this study find the all variables no. of SHGs, saving amount, bank loan outstanding against SHGs and loan disbursed are increasing the 2008 period but they decline rapidly in periods 2014. Growth rate of indicator are decline rapidly. This shows that growth rate of SHGs bank linkages programme was lesser.

This study also finds that no. of SHGs and saving amount and bank loan disbursement was closely related to each other but the no. of SHGs and bank loan outstanding against SHGs between no significant relations to each other. The study finally concluded that SHGs bank linkages programme helpful for poor women and effective to development in Haryana.

Suggestion

On the behalf of this study and previous paper we can say that need an improvement of SHGs Haryana. Government makes an improvement policy like increase the awareness programme. Provide the employment opportunity for SHGs women and timely loan.

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