



MAH/MUL/03051/2012
ISSN-2319 9318

Peer Reviewed International Refereed Research Journal

V I D Y A W A R T A®

Special Issue Vol - 01 September 2019



Indian council of
social science research

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Government of India
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One Day Interdisciplinary National Level Seminar on
**SELF HELP GROUPS AND SOCIO-ECONOMIC
EMPOWERMENT OF WOMEN**

Friday, 27th September, 2019



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□□□

Self Help Group

Prof. V. K. Wakode

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Introduction

SHGs are novel and innovative organizational setup in India for the women upliftment and welfare. All women in India are given chance to join any one of SHGs for training and development, so as to be prospective entrepreneur and skilled worker. The SHGs are promoted by the Government as if women in India may not be resourceful enough to be entrepreneurs. When the SHGs arrange training facilities to carry out certain kind of work which are suitable for women in India, bank must arrange financial assistance to carry out manufacturing and trading activities, arranging marketing facilities while the Governments will procure the product of SHGs, arrange for enhancing the capacity of women in terms of leadership quality and arranging for the management of SHGs by themselves so as to have administrative capacity. As a social movement with government support. SHGs become more or less a part and parcel of the society.

Concept of Self Help Group

The concept of self help groups had its origin in the co-operative philosophy and the co-operators by and large, including the National Federations in the credit sector, could not think of any better SHG than a primary co-operative credit society itself.² As SHG are small and economically homogenous affinity groups of rural poor, they are voluntarily coming together for achieving the following.

1. To save small amount of money regularly.

2. To mutually agree to contribute a common fund.
3. To meet their emergency needs.
4. To have collective decision making.
5. To solve conflicts through collective leadership mutual discussion.
6. To provide collateral free loan with terms decided by the group at the market driven rates.

Today, the self help group movement is increasingly accepted as an innovation in the field of rural credit in many developing countries including India to help the rural poor considered a vehicle to reach the disadvantaged and marginalized section, which in the normal course cannot avail of credit facility from the bank. A self help group is defined as a group consisting of people who have personal experience of a similar issue or life situation, either directly or through their family and friends. Sharing experiences enables them to give each other a unique quality of mutual support and to pool practical information and ways of coping. A self help group is defined as a "self governed, peer controlled information group of people with similar socio-economic background and having a desire to collectively perform common purpose." Self help group have been able to mobilize small savings either on weekly or monthly basis from persons who were not expected to have any savings. They have been able to effectively recycle the resources generated among the members for meeting the productive and emergent credit needs of members of the group.

Need and Importance of Self Help Group

Self help groups are necessary to overcome exploitation, create confidence for the economic self-reliance of rural people, particularly among women who are mostly invisible in the social structure. These groups enable them to come together for common objective and gain strength from each other to deal with exploitation, which they are facing in

several forms. A group become the basis for action and change. It also helps building of relationship for mutual trust between the promoting organization and the rural poor through constant contact and genuine efforts. Self help groups plays an important role in differentiating between consumer credit and production credit, analyzing the credit system for its implication and changes in economy, culture and social position of the target groups, providing easy access to credit and facilitating group/organization for effective control, ensuring repayments and continuity through group dynamics; setting visible norms for interest rates, repayment schedules, gestation period, extension, writing of bad debts, and assisting group members in getting access to the formal credit institutions. Thus, self help group disburses microcredit to the rural women for the purpose of making them enterprising women and encouraging them to enter into entrepreneurial activities. Credit needs of the rural and urban poor women are fulfilled totally through the SHGs. SHGs enhance equality of status of women as participation, decision-makers and beneficiaries in the democratic, economic, social and cultural spheres of life. The rural poor are in-capacitated due to various reasons such as; most of them are socially backward, illiterate, with low motivation and poor economic base. Individually, a poor is not weak in socio-economic term but also lacks access to the knowledge and information, which are the most important components of today's development process. However, in a group, they are empowered to overcome many of these weaknesses, hence there are needs for SHGs which is specific terms are as under :-

To mobilize the resources of the individual members for their collective economic development.

- To create a habit of savings, utilization of local resources.
- To mobilize individual skills for group's interest

- To create awareness about right.
- To assist the members financial at the rime of need.
- Entrepreneurship development.
- To identify problems, analyzing and finding solutions in the groups.
- To act as a media for socio-economic development of village
- To develop linkage with institution of NGOs.
- To organize training for skill development.
- To help in recovery of loans.
- To gain mutual understanding, develop trust and self-confidence.
- To build up teamwork.

Characteristics of SHGs

The important characteristics of self help groups are as follows :

1. They usually create a common fund by contributing their small savings on a regular basis.
2. The groups evolve a flexible system of operations often with the help of the nongovernmental organizations (NGOs) and manage their common pooled resource in a democratic manner.
3. Groups consider loan requests in periodical meetings, with competing claims on limited resources being settled by consensus regarding greater needs.
4. Loaning is mainly on the basis of mutual need and trust with minimum documentation and without any tangible security.
5. The amounts loaned are small, frequent and for short duration.

Functions of SHGs

The important functions of SHG are the following :-

- i. Enabling members to become self-reliant and self-dependent
- ii. Providing a forum for members for discussing their social and economic problems.

- iii. Enhancing the social status of members by virtue of their being members of the group.

- iv. Providing a platform for members for exchange of idea.
- v. Developing and encouraging the decision making capacity of members.
- vi. Fostering a spirit of mutual help and cooperation among members.

Evolution of Self Help Groups in India

In India, soon after independence, there has been an aggressive effort on the part of the government, which was concerned with improving the access of the rural poor to formal credit system. Some of these measures have been institutional, while some others were through implementation of focused programmes for removal of rural poverty. Reaching out of the far-flung rural areas to provide credit and other banking services to the hitherto neglected sections of the society is an unparalleled achievement of the Indian banking system. The main emphasis is the spread of the banking network and introductions of new instruments and credit packages and programmes were to make the financial system responsive to the credit the weaker sections in the society. Comprising small and marginal farmers, rural artisans, landless agricultural and non-agricultural labourers and other small borrowers falling below poverty line.

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Impact Factor - 6.261

ISSN - 2348-7143

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Online Shopping : Challenges and Opportunities

Prof. V. K. Wakode

**S. P. M. Tatyasaheb Mahajan Art's and Commerce College,
Chikhli, Dist. Buldhana**

E-commerce stands for electronic commerce. It means dealing in goods & services through the electronic media & internet. The rapid growth of e-commerce in India is being driven by greater customer choice & improved convenience with the help of internet the vendor or merchant who sells products or services directly to the customer from the portal using a shopping basket system or digital cart & allows payment through debit card, credit card or electronic fund transfer payments. In the present scenario e-commerce market & its space is increasing in demand as well as an impressive display or range of a particular type of services. E-commerce is already appearing in all areas of business, customer services, new product development & design. E-commerce business is growing in India because of wide range of product with minimum price wide range of suppliers & customers internet. In this modern era every business units want to join online business because increasing ratio of internet users in India. Ecommerce in India is still in growing stage but it offers considerable opportunity.

The buying & selling of products & services by businesses & customers through on electronic medium, without using any paper documents. E-commerce is widely considered the buying & selling of products over the internet, but any transaction that is completed solely through electronic measures can be considered e-commerce. E-commerce is subdivided into three- categories: business to business or B 2 B (Cisco), business to consumer or B 2 C (Amazon) & Consumer to consumer C 2 C. India's e-commerce market was worth about \$3.8 billion in 2009, it went up to \$12.6 billion in 2013. In 2013, the e-retail segment was worth US\$2.3 billion. About 70% of India's ecommerce market is travel related. According to Google India, there were 35 million online shoppers in India in 2014 Quarter 1 and is expected to cross 100 million mark by end of year 2016. Compound Annual Growth Rate (CAGR) vis-a-vis a global growth rate of 8-10%. Electronics and Apparel are the biggest categories in terms of sales.

E-commerce has come a long way since its inception and is only getting bigger. As technology continues to grow rapidly, e-commerce retailers are adopting newer techniques to facilitate sellers and buyers to sell and buy online more efficiently, thanks to ever dropping rates of internet surfing - both for web and mobile interfaces - which is complementing to the soaring population of internet users. It has hence become the key force behind driving the trend for ecommerce. The rise of social networks and mass adoption of mobile devices is acting as a catalyst to accelerate this drive further, shaping the e-commerce trends for the Indian market[1]. Consumers are more connected than ever before and have more information and choices at their fingertips today. They are leaving behind their preferences, behavior and interests, which create a knowledge ground for e-commerce companies to analyze behavior pattern and offer more interesting and competitive products. The proliferation of this digital activity and resulting data is a stimulating factor for devising e-commerce strategies, thus affecting the business model and driving growth for ecommerce players in the Indian market. Let us establish more understanding considering the current scenario and in sighting some of the upcoming trends in this space.

Advantages of e-commerce To Consumers

The distinct advantages e-commerce can offer to the consumers include but are not confined to the following only.

Consumers have a much wider choice available on the cyber market. They bear lower costs for products due to increased online competition among sellers. Because of wide-scale information dissemination, consumers can compare products, features, prices and even look up reviews before they select what they want. They enjoy wider access to assistance and to advice from experts and peers. They enjoy saving in shopping time and money. Consumers also avail of fast services and delivery of products and services. They also have the convenience of having their orders delivered right to the door step.

Challenges & Opportunities

Finally, consumers are driven to e-shopping in hordes as even branded goods cost less on the Net. Backed by increased online user base & mobile phone penetration, Indian e-commerce has seen impressive growth in the last few years. Considering India's demographic dividend & rising internet accessibility, the sector is



slated to scale greater heights. Although, India's overall retail opportunity is substantial, the sector is beset with some serious challenges. We take into the current e-commerce landscape & the sector's key drivers & challenges. While the growth in this sector excited entrepreneurs & financial investors alike, some serious challenges are beginning to weight down on the sector. E-commerce players in India need address eight key aspects of their business, both internal & external.

Conclusion

E-commerce is changing the way of buying & selling of product & services in India. E-commerce is future of shopping. Due to E-commerce the gap has been reduced between manufacturer & consumer. According to Indian population their vast scope for e-commerce because currently in India only 19% people using internet for selling & buying goods & services so remaining percentage we can considered that we having scope in Indian Market. There is weak Cyber security Law in India that is why Indian People are facing challenges toward e-commerce. The future of e-commerce in India would be bright in the upcoming years if all essential factors would be implemented, by establishing cyber & have their benefits as per people wish. The role of government is to provide a legal framework for e-commerce so that while domestic & international trade are allowed to expand their horizons, basic right such as privacy, intellectual property, prevention of fraud, consumer protection etc. are all taken care of. The expansion of e-commerce has been developed in rural as well as urban area in reign able cost for consumption, because of that more people are getting linked with ecommerce & the ratio of that is getting increase day by day.

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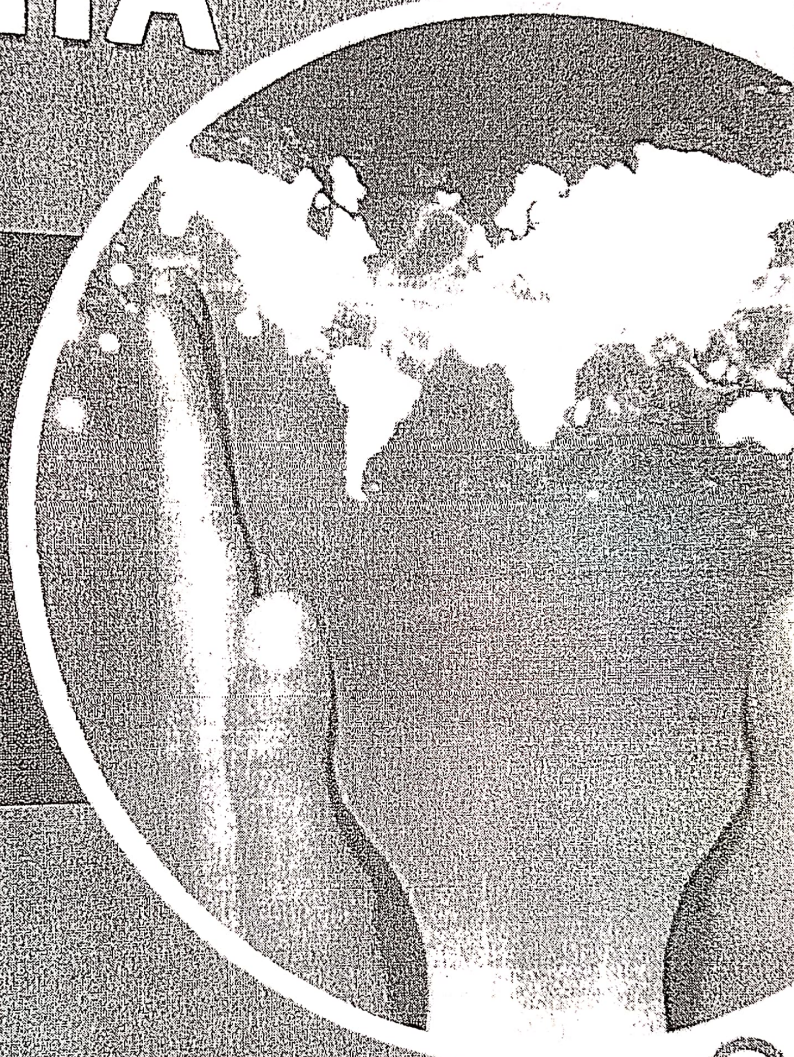
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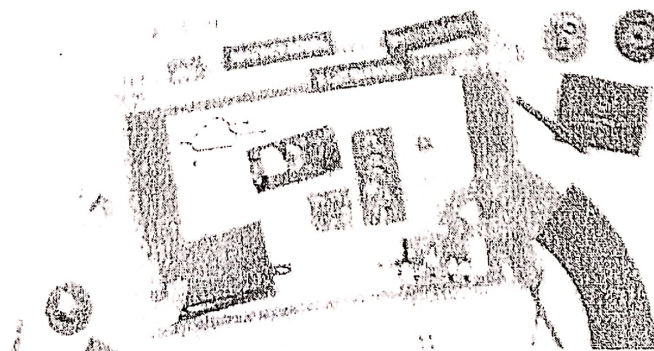
AJANTA

Volume-VIII, Issue-I
January - March - 2019
English Part - III

IMPACT FACTOR/
INDEXING 2018 - 5.5
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8. Cashless Economy - Benefits and Challenge's

Prof. Vijay Kundalik Wakode
S. P. M. College, Chikhli.

The government has implemented a major change in economic environment by demonetizing the high value currency notes of - Rs 500 and Rs 1000 from 8th November 2016 and push India towards cashless future. What is cashless economy? A cashless economy is one in which all the transactions are done through electronic channels such as debit/credit cards, Immediate Payment Service (IMPS), National Electronic Funds Transfer (NEFT) and Real Time Gross Settlement (RTGS). The circulation of physical currency is minimum. The Indian economy continues to be driven by the use of cashless than 5% of all payments happen electronically. Electronic based transaction seeks to drive the development and modernization of India's payment system. The essence of the policy is to shift the economy from a cash based economy to a cashless one. Efficient and modern payment system is a key enabler for driving growth and development. The policy also aims at improving the effectiveness of monetary policy, managing inflation in the economy, maintaining stable pricing system. In India, the ratio of cash to gross domestic product is 12.42 % in GDP, this is one of the highest in the world. It was 9.47% in China or 4 % in Brazil. Further, the number of currency notes in circulation is also far higher than in other large economies, India had 76.47 billion currency notes in circulation in 2012-13 compared with 34.5 billion in US. The government is working at various levels to reduce the dependence on cash. PM-Narendra Modi unveiled two schemes - Lucky Grahak Yojna, Digi Dhan Vyapaar Yojna for customers and traders like to promote mobile banking and e-payments. To encourage and strengthen cashless economy it's important to inculcate the habit of making e-payments. Government encourages cashless transactions like inobile banking, Ru-pay cards, UPI, USSD these are means and methods of digital payments. Less cash economy is in the interest of everyone and it will help in creating a clearer economy in future. Government have also introduced Aadhar based payment system, this is for those people who don't have cards or mobile phones. Reducing Indian economy's dependence on cash is desirable for a variety of reasons. To control counterfeit notes that could be contributing to terrorism, It also

affect the monetary policy of our country and to eliminate the —black money, hawala transfers, can't be made without paper currency, Curbs illegal activities altogether. A large part of black money is generated in illegal trades like selling drugs therefore without cash or less cash illegal trade might become difficult.

RBI has also issued licenses to open new-age small finance banks and payments banks which are expected to give a push to financial inclusion and bring innovative banking solutions. Things are also falling in place in terms of technology for India. The recently launched Unified Payments Interface by National Payments Corporation of India makes digital transactions simple. Even the RBI has also recently unveiled a document, "Payments and Settlement Systems in India: Vision 2018", setting out a plan to encourage electronic payments and to enable India to move towards a cashless society or economy in the medium and long term.

Benefits of Cash less Economy

Cash less economy helps in curbing generation of black money. As a result it reduces real estate prices because most of black money is invested in Real estate which inflates the prices of Real estate markets. 1 in 7 notes is supposed to be fake, which has a huge negative impact on economy, by going cashless, that can be avoided. An increased use of digital payment instead of cash would enable a more detailed record of all the transactions which take place in the society, allowing more transparency in business operations and money transfers which reduce tax avoidance and money laundering. Cashless Economy also reduces the cost of banking services. It also improves monetary policy in managing inflation and increases economic growth in our country. Another benefit of cashless economy is that it discourages cash related robberies and other cash-related crimes.

Challenges in making India a cashless economy

Large part of the population is still outside the scope of Net banking like use of credit or debit cards, making transactions using mobile phones, and using the internet to pay bills they are not in a position to reduce its dependence on cash. Second, about 90% of the workforce, which produces nearly half of the output in the country, works in rural sector. It will not be easy for this sector to become cashless. There is a general preference for cash transactions in India. Merchants prefer not to keep records in order to avoid paying taxes and buyers find cash payments more convenient. Although cashless transactions have gone up in recent times, a meaningful transition will depend on a number of things such as awareness, technological developments and

VOLUME - VIII, ISSUE - I - JANUARY - MARCH - 2019

AJANTA - ISSN 2277 - 5730 - IMPACT FACTOR - 5.5 (www.sjifactor.com)

government intervention. For instance, mobile wallets have seen notable traction, and it is possible that a large number of Indians will move straight from cash to mobile wallets. The availability and quality of telecom network will play an important role. People face difficulties in making electronic payments even in metro cities because of poor network. Service providers will have to constantly invest in technology in order to improve security and ease of transaction. People will only shift when it's easier, certain and safe to make cashless transactions. The government will also need to play its part. It will have to find ways to incentivize cashless transactions and discourage cash payments. Difficulties in changing attitudes and perception of people towards moving digital payments. India is dominated by small retailers. They don't have enough resources to invest in electronic payment infrastructure.

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ISSN 0976-0377

RNI. MAHMUL02805/2010/33461

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An Impact of GST on Indian Textile Industry

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Research Paper - Economics

Goods and Services tax (GST) is one hundred and first amendment of the constitution of India. Taxation of textile sector is not transparent in its various segments. Many textile outputs are either exempt under the central and state tax regimes or are subjected to relatively low tax rates. Most of the indirect taxes fall on inputs, both goods and services, and therefore remain hidden. On the whole, the textile sector is lightly taxed and extensively subsidized. Textile exports are supported through payments of un-rebated taxes on textile inputs and other subsidies. So the current impact of GST on textile industry is negative, considering the fact that it is the second largest textile industry in the world after China. Apart from providing one of the basic necessities of life i.e. cloth. The textile industry contributes about 14% to the country's industrial output. After agriculture this industry provides employment to maximum number of people in India employing 35 million people. Besides, another 46 million people are engaged in allied activities. Textile Industry contributes around 4% of GDP, 9% of excise collections, 18% of employment in industrial sector, and has 16 % share in the country's export. India is the largest exporter of yarn in the international market and has a share of 25% in world cotton yarn export market. India contributes for 12% of the world's production of textile fibers and yarn.

Classification of Indian Textile Industry:

The textile industry can be broadly classified into two categories, the organized mill sector and the unorganized decentralized sector. The organized sector of the textile industry represents the mills. It could be a spinning mill or a composite mill. Composite mill is one where the spinning, weaving and processing facilities are carried out under one roof. The decentralized sector is engaged mainly in the weaving activity, which makes it



heavily dependent on the organized sector for their yarn requirements. This decentralized sector is comprised of the three major segments that is power loom, handloom and hosiery. In addition to the above, there are readymade garments, khadi as well as carpet manufacturing units in the decentralized sector.

This textile industry classification is as follows:-

1. Organized sector A) Spinning mills or composite mills
2. Unorganized decentralized sector A) Power loom segment B) Handloom segment C) Hosiery segment D) Khadi & Carpet manufacturing segment

Organized mills: The organized mill sector contributes around 10% of the fabric production in the country. Mills which comprise both spinning and weaving are called composite mills. Power loom This sector comes under unorganized sector and contributes 55 % of the total cloth production of the country. It is capital intensive and is decentralized. Indian power loom fabric is competing successfully in global market. The Power loom sector has been contributing about 55% to total production of entire textile industry over last decade, at approximately 16,000 sq. meters per year. **Handloom sector:** This sector is the largest economic activity after agriculture and provides direct and indirect employment to more than 45 lakh weavers. It contributes nearly 23 % of total cloth production. **Indian handloom:** is a part of heritage. India's genius is known to the world through its handspun cloth. Silk, Jute, Cotton and Khadi are the major areas in Handloom sector. **Garments & Hosiery:** Indian apparel industry has a great potential and is a major foreign exchange earner. Indian apparels are high in fashion and hence are in great demand abroad. There are around 30,000 manufacturing units in the country, but these are small and fragmented. They employ around 3 million people and earn Rs. 18,000 crores by exports.

The model of GST and the rate:

A dual GST system is planned to be implemented in India as proposed by the Empowered Committee under which the GST will be divided into two parts: Central Goods and Services Tax (CGST) State Goods and Services Tax (SGST) The Goods and Services Tax (GST) is said to replace all indirect taxes levied on goods and services by the Government, both Central and States. The GST will consolidate all State economies. It will be one of the biggest taxation reforms to take place in India. The GST will make a



significant breakthrough paving way for an all-inclusive indirect tax reform in the country. The GST is basically an indirect tax that brings most of the taxes imposed on most goods and services, on manufacture, sale and consumption of goods and services, under a single domain at the national level. In the present system, taxes are levied separately on goods and services. The GST is a consolidated tax based on a uniform rate of tax fixed for both goods and services and it is payable at the final point of consumption. At each stage of sale or purchase in the supply chain, this tax is collected on value-added goods and services, through a tax credit mechanism. Research Methodology The study contains exploratory research design and Data collection is done by secondary sources including newspaper, journals and various government websites

Findings & Discussion:

Major changes in tax rates specific to textile inputs/outputs: 1. Excise duty on fabrics made from cotton alone increased from 5% to 6% 2. Excise duty on synthetic textile inputs such as polyester and viscose also increased to 12% 3. Abatement applicable to branded ready-made garments increased from 55% to 70% of the Retail Sale Price. The overall impact of GST on the textile industry and consumers will depend on how the available policy options are exercised in implementing GST in relation to textiles.

There is three segments that would be in a relatively disadvantageous position are :

1. Khadi and Handlooms
2. Cotton textiles
3. Carpet weaving. The main policy options, which may be considered for specific segments or all segments of textiles, are as follows:

A) Zero rating-Zero rating involves an effective mechanism for refunds and even advanced tax jurisdictions find it difficult to implement it. It should be recognized that zero rating will not cover producers below threshold levels. On the other hand, it may lead to rush for registration with the central and state governments to claim the refunds. It may also open up an avenue for claims that may be fraudulent.

B) Exemption-Exemption The second option is exemption for selected segments. Exemption does not mean no incidence of tax since it results in blocked input taxes. It



impact of exemption becomes dependent on the nature of supply chain. For example, vertical integration may reduce the magnitude of block input tax. This option is not recommended as it distorts resource allocation choices. It should be noted that exemption from production inputs as well. This leads to complexities in the administration of tax. In general, selective exemptions detract from the supply chain neutrality and fiber neutrality in the textile sector. Under the GST scheme, area-based exemptions should be discontinued.

C) Lower rate of tax - Lower rate of tax. The next option is to bring all segments to the lower rate of tax, which may be possible in the long run. This is an advisable option if the government chooses to have a lower GST rate. A standard rate of 12% is also suggested that all textile fabric categories (e.g., yarn, fabric, and ready-made garments) should be in the same category to maintain fibre neutrality. However, the scope allows for different rates. There will be issues if inputs are taxable at higher rates than the output. It gives rise to issues relating to refunds and input tax credits.

D) Standard rate of tax with appropriate subsidies. Another option is to apply the standard rate of tax with appropriate subsidies. If the country goes for a single rate regime, it should consider subsidies. In preference to zero-rating and exemption even if it is not possible. However, the price effect of GST will depend on the actual rate of tax. A GST regime with a standard rate results in a clear tax system. Production efficiency, which is the key concern as opposed to a complex system. It can be accompanied by an appropriate subsidy system. Segments of the textile industry. In the case of textiles, subsidies to finance such subsidies as many of the existing support schemes. Once zero-rating of exports becomes integral to the tax system.

Suggestions:

1. Some of the possible suggestions are mentioned below:
Raw material bank: Yarn constitutes more than 40% of the cost of a garment.



- products. Typically major yarn spinners are not located within or near the handloom clusters and they do not sell yarn directly to the weaver/master weaver/cooperatives. There are a number of agents involved in the process of delivering the yarn from mill to weaver, which increases the price of yarn and sometimes creates artificial shortage of raw material availability, which in turn increases the price of yarn. Development of raw material (yarn) bank at a cluster level will not only ensure continuous supply of raw material but will also help in reducing the price of yarn.
2. Supply of handloom parts at subsidized rate: Many times handloom weavers can't change the defective handloom parts due to its high price. This reduces the efficiency level of the handloom weavers and also deteriorates the quality of the products. Supply of handloom parts at subsidized rate will help handloom weavers to improve their efficiency, which will help in reduction of cost of production. Also, an improvement in quality will enable the handloom weavers to charge a premium for their product.
 3. Improved Dyeing facility: Color fastness is the most common quality problem with handloom products. Many consumers hesitate to purchase handloom products due to this problem. Usage of age old dyeing facility is the reason behind such quality problem. Installation of better dyeing technology at cluster level will help in solving this quality issue, which will help in increasing the demand of handloom products and its price as well.

References :-

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