

A Project Work on

**“Evaluation of Lending Practices in Self Help Groups
with Special Reference to SKDRDP, Honnavar”**

Submitted To



Karnatak University Dharwad

**In partial fulfillment of the Requirements for the Degree of
Master of Commerce**

By:

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**UMAN ARTS, SCIENCE, COMMERCE COLLEGE AND P.G
CENTRE, ANJUMANABAD, BHATKAL-581320**

2018-19



Certificate

Certified that the Project Work titled "Evaluation of Lending Practices of Self Help Groups, with Special reference to SKDRDP, Honnavar" is an original record of field work done by Ms. Sharada Manjunath Naik with Registration No. 17C011128 in a partial fulfillment of the award of Degree of Master of Commerce of the **Karnatak University, Dharwad** during 2018-19. The project satisfies academic requirements in respect of project work prescribed for the Degree of Master of Commerce and is a record of her own independent work.

This project is based on the studies carried out by her has not submitted to any other University or Institution for the award of any degree or diploma.

Prof. Saheel Ahmed. M
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RURAL DEVELOPMENT PROJECT
B.C.TRUST (Regd) DHARMASTHALA**

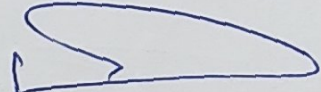
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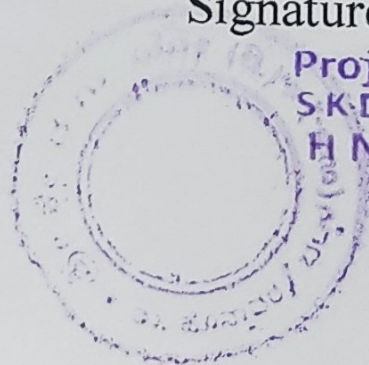
This is to certify that Miss. **Sharada Manjunath Naik**, student of M.COM 4th semester with Register Number **17C011128**, studying at **Anjuman Arts, Science and Commerce College and PG Centre, Bhatkal** has visited our Trust office for data collection in respect of this project work. We believe that this project work is of her own efforts and we wish her good luck in her academic Endeavour.

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Signature of the Project Officer

Project Officer
SKDRDP (R)
HNR / BTK

Place: HONNAVAR

Date: 18/06/2019



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Chapter- I

Introduction

Loans and advances are the most important aspect of any organization. Loan is a type of debt. Like all debt instruments, a loan entails the Redistribution of financial assets over time. The borrower initially receives an amount of money from the lender, which they pay back usually but not always in regular installment, to the lender. This service is generally provided at a cost, referred to as interest on the debt. The sum of borrowed money (Principal) that is generally repaid with Interest.

In this context Self Help Groups (SHGs) play a predominant role in the society. These SHGs provide loan facility for various purposes including personal requirements. In Karnataka State, **Shri Kshetra Dharmasthala Rural Development Project, (SKDRDP)** has been a real 'friend in deed' for the poor farmers and other rural residents meeting their financial requirements or any financial emergencies as and when they arise.

In this background, the present study focuses on SKDRDP with special reference to Bhatkal and Honnavar Taluks in which a sincere effort has been made by the student to study and evaluate the lending practices of the SHGs.

There are different types of loan offered by a SHGs

Housing Loans

Education Loans

Vehicle Loans

Agricultural Loan etc.

Conclusions

By analyzing the data are collected, it is concluded that SKDRDP play an important role in SHGs formation, linking the groups with the banks arranging for loans and imparting training to start income generating activities.

On the whole organization study at "Shri Kshetra Dharmastala Rural Development Project Honnavar" is a very interesting in which I come to know the overall working environment of this organization. I am satisfied with the co-operation of project officer, Manager, Staff and Members.