

Economic Well Being of Women through Self Help Groups: A Study in Tumkur district of Karnataka

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Abstract

Well-being is a multi-faceted state characterized by health, happiness and prosperity. It can be measured at both the macro level (i. e. counting) and the micro level i.e. individuals, households, and families within households. Economics well- being has both a present component and a future component. In the present, economic well-being is characterized by the ability of individuals and small groups, such as families or households to consistently meet their basic needs, including food, clothing, housing, utilities, health care, transportation, education and paid taxes. It is also characterized by the ability to make economic choices and feel a sense of security, satisfaction and personal fulfillment with respect to finances and employment pursuits. From the perspective of the future, economic well- being is characterized by the ability to absorb financial shocks, meet financial goals, build financial assets, and maintain adequate income across the life course. Emancipation of women is a prerequisite for the economic development and social upliftment of any nation because women constitute fifty percent of the total population and one third of the human resource of every society; they can be of greater instrument in the development of human resourcing than men. Self-help groups have stories of women who not only are better off economically as a result of access to financial services, but who are empowered as well. It is widely recognized that apart from managing the household, rural women bring income by indulging in productive activity ranging from traditional work in the fields to working in factories or running a small businesses, they prove to be better end managers.

SHG's in India

In India, many SHG's are linked to banking institutes for the delivery of micro-credit. In India, SHG's first emerged within the Mysore resettlement and development agency (MYRADA) in 1985. In 1987 the national bank for agriculture and Rural Development (NABARD) provided MYRADA with a grant of Rs. 1 million to enable it to invest resources in identifying affinity groups, building their capacities and matching their savings after a period of 3-6 months. In 1990 RBI accepted the SHG strategy as an alternative credit model. In 1992 NABARD issued guidelines to provide the frameworks for a strategy that would allow banks to lend directly to SHG's. In 1992 SHG bank linkage program was launched. The Tamil Nadu women's empowerment project, an IFAD – supported project implemented through the Tamil Nadu women's development corporation, was the first project in the country, around 1990, to incorporate the SHG concept in to a state sponsored programme. Since then, SHG's have been associated with women.

Self - Help Groups in Karnataka

There are over 9, 62, 446 SHG's in Karnataka (as on 31st march 2016). Under various developmental programmes the majority of which are women's SHG's. A Strategy which has emerged worldwide as the single most significant economic development program for women. A SHG is a small group of 12-20 people who voluntarily come together to address their poverty and other social issues .The core activity is obligation of small saving from group members and group lending from accumulated saving as well as bank loans. It is for this reason that, SHG's are also known as microfinance or micro-credit institutions.

In Karnataka, conveying services of poor women through self-help group has emerged as the dominant strategy for combating female poverty. The state running the financial matters by SHG's savings money in the year 2016 there is 14424213 lakh rupees money is saved by SHG's.

Statement of the Problem

Self-help group programmes often in the form of credit or micro credit schemes and savings have succeeded in changing the lives of poor women by making way for enhanced income and increased self-esteem. This study is undertaken to analyze the impact of SHG's on the women in Tumkur district, Karnataka. The main focus of this study is to examine to what extent SHG's are an effective instruments in enhancing the economic position of women, the way in which they are empowered.

Objective of the study

The objective of the study includes the socio- economic profile of SHG women, compare the changes in income, expenditure and savings of members of SHG'S and find the benefits derived by women after joining the SHG's.

Methodology

The study is based on collection of data from both primary and secondary sources. Primary data was collected from a well – structured questionnaire. Secondary data was obtained from various published and unpublished records. Multistage and random sampling was adopted for the present study. At the first stage five taluks were selected for the study. 10 women self-help groups (WSHG's) established in not less than 2 year were randomly selected from each taluk.5 respondents who were members of the group for at least 2 years and had arrived at least one loan were randomly selected from each group . Thus 250 respondents were selected for the present study.

Concept of self Help Groups

SHG'S 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. SHG's 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 SHG's. SHG'S enhance equality of status of women as participation, decision- makers and beneficiaries in the democratic, economic, social and cultural spheres of life.

Brief Profile of the study area

The present study has been conducted in Tumkur district of Karnataka. Geographically, the district has total 10,597 sq. km and occupies the ranks 3rd in state and 49th in India. Economically, agriculture is the back bone of the district. There are 10 taluks in the district. For the study we have selected 5 taluks namely Kunigal, Tiptur, Turuvekere, Gubbi and karatagere. Randomly 250 members are selected for the study.

Analysis of Data

Average and percentage analysis was carried out to draw meaningful interpretations of the results.

Table: 1 Distribution of the Respondents on the basis of Age.

Age	Number	Percent
Above 20 years	12	4.8
20 - 30	60	24
30 - 40	82	32.8
40 - 50	52	20.8
50 - 60	38	15.2
60 & above	6	2.4
Total	250	100

Table 1 shows that majority of the respondents 32.8% belonged to the age group of 30 – 40 years. 24% of the respondents were between the age group of 20 – 30. 20.8% of the respondents belong to the age group of 40-50 years. 2.4% was the least percent of respondents belong to the age group of 60 and above.

Table: 2 Distribution of respondents on the basis of Education

Education	Number	Percent
Illiterate	30	12
1-7 class	40	16
SSLC	50	20
PUC	75	30
Under Graduate	45	18
Others	10	4
Total	250	100

The table shows that 30% respondents are have an educational qualification of PUC. 20% respondents belong to SSLC group. The least respondents are other categories.

Table: 3 Distribution of Respondents on the basis of Occupation

Occupation	Number	Percent
Agriculture	105	42
Cattle rearing	75	30
Employed	35	14
Labour	25	10
Unemployed	10	4
Total	250	100

In the above table we observed that 42% of the respondents are belongs to the occupation of agriculture. 30% respondents are from cattle rearing. 14% belongs to employed category. 10% are from unemployed and the least belongs to unemployed category.

Table: 4 Income earned per month in pre-SHG and post-SHG period

Income	Pre SHG		Post SHG	
	Number	Percent	Number	Percent
Below 2500	75	30	50	20
2500-5000	89	35.6	88	35.2
5000-7500	55	22	65	26
7500-10000	28	11.2	35	14
10000 & above	3	1.2	12	4.8
Total	250	100	250	100

The above table shows that in pre SHG period 30% respondents have their income below 2500, after joining SHG it decreases to 20%. Only 22% of respondents have income level of 22% in pre SHG period, after joining SHG it increases to 26%. Income level between 7500-10000 have a percentage of 11.2 in pre SHG period, after joining they have income level of 14%.

Table: 5 Savings per month in Pre-SHG and Post – SHG period

Savings	Pre-SHG		Post-SHG	
	Number	Percent	Number	Percent
Nil	10	4	-	-
Below 500	90	36	60	24
500 - 1000	70	28	95	38
1000 - 1500	55	22	65	26
1500 - 2000	20	8	25	10
2000 & above	5	2	5	2
Total	250	100	250	100

Table 5 shows the savings per month in pre SHG and post SHG period. In pre SHG period no savings are 4%, but in post SHG period it reduced to nil. The savings between 500 – 1000 in pre SHG is 28% and it increased to 38% in post SHG period. The savings 2000 and above maintain the same percentage in pre-SHG and post-SHG period.

Table: 6 Expenditure per month in Pre-SHG and Post-SHG Period

Expenditure	Pre-SHG		Post-SHG	
	Number	Percent	Number	Percent
Below Rs.1000	65	26	30	12
Rs.1000-Rs.2000	95	38	105	42
Rs.2000-Rs.3000	50	20	65	26
Rs.3000-Rs.4000	30	12	35	14
Rs.4000 & above	10	4	15	6
Total	250	100	250	100

From the above table people income level increases because of SHG their expenditure level is also increases. The expenditure between 1000-2000 in pre-SHG is only 38%, after joining SHG their expenditure level is 42%. The expenditure between 3000-4000 in pre-SHG is 12%, after joining SHG it gradually increased to 14%.

Activities undertaken by the SHG Members

The income generating activities undertaken by the SHG members are wire basket making, paper products making, jute products making, candle making, agarbathi making, book binding, leaf plate making, weaving mats, tailoring, preparation of food products like pickles and papped and masala powder, sheep and goat rearing, cattle raring, engaging in milk products sale etc. Some women are engaged in petty businesses also.

Findings of the study

1. Majority of the respondents are belongs to the age group of 30-40 years.
2. Most of the respondents are educated up to PUC.
3. Most of respondents are select their occupation as agriculture.
4. After joining SHG their income level is increased.
5. Respondent's savings habits also increased because of SHGs.
6. Their expenditure level is also increased.

SHG members derived certain benefits like development of the habit of saving money, increase additional income, freedom for debt, access to resources and various promotional assistance, better status in family and society, self-confidence and better decision making power, social cohesion and better communication skills after joining SHGs.

Conclusion

In the process of economic growth the informal sector is looked at as a path of transition from the shrinking agriculture sector to the main sector stream economy. Development policies need to be reoriented to treat it not as a transition sector but as a integral sector of economy. Steps should be taken to improve informal sector by making resources available, opportunities and assistance to help the sector to develop. Properly designed and effectively implemented SHG actively can not only alleviate poverty but also empower women at the gross root. The SHGs which create a silent revolution must be viewed as change agents in rural area.

References

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