

Impact of SHGs on Economic Condition of Rural Women: An Empirical Study in Mudhapada Village, Bhadrak, Odisha

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Abstract

The paper was attempted to study "Impact of SHGs on Economic condition of Rural Women: An Empirical Study in Mudhapada Village, Bhadrak, Odisha". Self Help Groups are the self-governed, peer- controlled informal group of people with similar socio- economic background, having a desire to come forward voluntarily for a mutual agreement of helping each other for productive or domestic purposes. Women in rural India lived in virtual isolation, unable to access even the most basic of services. Central and State government initiated many programme for improving standard of living of rural women, among these programme SHG is a most important weapon for economic development of rural women. With the formation of Women's Self-Help Groups, women are now achieving social and physical mobility. It is a suitable means for the women empowerment. It plays a vital role for improving economic security to the women as well as improves quality of their life by providing credit, savings, insurance, remittance and also non-financial services. The study was conducted in Mudhapada village purposively. Objectives of the study were firstly to find out the socio- economic conditions of the respondents in the study area, secondly to find out the impact of SHGs on rural women respondents. Eight SHGs in the village were selected with the help of purposive random sampling method. Sample was covered 50 SHGs women members respondents age groups of 18-50 for the study, it was based on interview and both primary and secondary data, which are largely qualitative in nature followed by descriptive research design. The processing of data was classifying and tabulation of data.

Keywords – SHGs, Rural Women, Socio Economic Condition.

I. INTRODUCTION

Traditionally over the World, either by law or by custom, the conditions of women is marginalised, poorer and underprivileged as compared to their male counterpart and also they are very weak in decision making process in personal and social life etc. In India women is still lagging behind in education, health and economy as well as decision making process. Women have a distinctive role to play in the development of the society as well as

nation. She is a unit of human capital and is therefore capable of making a contribution to the national economy. A major cause of women's subordination is said to be her economic dependence. To eradicate backward economic condition of women in rural society, SHG is deemed to be one of the rays of hope and give broad opportunities to improving women condition in the society. It targets women because they are traditionally marginalized and they are rarely financially independent and is a critical tool to empower women from poor household. So, particularly women can get benefit from SHGs.

A. Self Help Groups

Self Help Group is a voluntary association of poor persons, especially women with common interests, formed democratically without any political affiliations. These groups are small economically homogeneous group consist of 10-20 women members and they save a small amount of money regularly that they can afford, it is ranging from Rs 10 to 200 per month, which is deposited in a common fund to meet the members needs and to provide collateral free loans decided by the group . The uniqueness of these groups lies in the fact that to a large extent they are self-supporting, self-governing organizations, free from bureaucratization and politicization. This process empowers the poor women and enables them to control the direction of own development by identifying their own basic needs.

B. Characteristics

Characteristics of SHG are homogeneous, common interest, voluntary in nature, mutual self-help, non-political, rotation of leadership and participatory.

C. Compositions

SHG group composite by all the Poor people, 10-20 members, among them at least 1 or 2 literate, own bye laws and opening group account.

D. SHGs Promoting Agencies

The Self Help Groups promote by Self Help Group Promoting agencies which includes Non Governmental Organization (NGOs), Banks and Government agencies. Firstly, promoting by Non

Governmental Organizations (NGOs), the second one is promoting by Banks and third one is promoting by government agencies.

E. Functions

Regular meeting, Compulsory saving, then credit, Credit management, Book keeping, Build up common fund, Community action programme, Awareness and training Participation in decision making process and local self government, Participation in micro level training at gram sabha and block level and Maintain record of financial and other transactions.

F. Importance of Self-Help Group

- To eradicate poverty.
- To eradicate unemployment.
- To increase economic growth.
- To improve status of its members.
- To aware income generating activities

II. REVIEW OF LITERATURE

Banerjee (2009) study on “Economic Impact of Self-Help Groups: A Case Study” the paper found that income generation through Self Help group activities has improved the average income of group members but the inequality of distribution of income is high among the group members than that of the non-group members. Secondly, there has been a significant decline in the medical expenditure and school dropout rate in the families of group members than that of non-group members.

Sundaram (2012) conducted a study on “Impact of Self-Help Group in Socioeconomic Development of India” found that by SHGs thousands of the poor and the marginalized people in India are building their lives, families and society. It has been playing considerable role in training of Swarozgaris, infrastructure development, communication, self confidence, marketing and technology support, change in family violence, frequency of interaction with outsiders, change in the saving pattern and cumulative saving pattern of SHG members per month and also involve in politics, achieving social harmony and justice.

Chepchirchir (2013) conducted a study on “Impact of Women Participation in Self-Help Groups on Self-economic empowerment in Nakuru County”. The study found that by participating in SHG there was an enhanced self-economic empowerment in terms of savings, access to loan and trainings. The SHG has improved the saving culture of the respondents through making it compulsory for all to save and encouraging members to increase their savings and reinvest them in entrepreneurial activities. Participating in SHG the respondents were able to access formal banking institution with easy and access better amount of loan as compared to pre

SHG period. Most respondent were able to attend training after joining SHG which had an impact in enabling them increase asset, improve book keeping, spend wisely and diversify investment.

Samadarsani and Mallick (2017) conducted a study on “Rural Women Empowerment and SHGs in India: A Conceptual Understanding”. They found that after joining SHG, income and standard of living of the group members are improving than the before. It plays a vital role for rural development through eradicating poverty and removing unemployment in every part of the society especially among women. It is a way to increase the income level, standard of living as well as women’s economic independent, through access to credit, increased control over resources, improved skills and collective action. SHG creates awareness among women for their legal rights and legal aids access, through networking and training.

A. Objectives

- To find out the Socio- Economic Conditions of the Respondents in Study Area.
- To find out the Impact of SHGs on Rural Women Respondents.

B. Research Questions

- What are the Socio- Economic Conditions of the Respondents in study Area?
- What are the Impacts of SHGs on Rural Women Member Respondents?

III. METHODOLOGY

The Mudhapada Village of Bhadrak district was chosen for the study area purposively. In this village female literacy rate is very low because of gender discrimination. The study was based on both primary and secondary data; sample size was covered 50 married, widow and unmarried women aged 18-50 were for sample representative. In this village 8 SHGs are for women, from each group eligible women respondents were selected with the help of purposive random sampling method, which are largely qualitative and quantitative in nature followed by descriptive research design. The processing of data was classifying and tabulation of data.

IV. FINDINGS OF THE STUDY

A. Socio- Economic Conditions of the Respondents

1) Age

The number of years that a person has lived or existed. The below table refers to the distribution of respondents according to their age. The following table presents the age profile of the respondents.

Table- 1. Age of the Respondents

Age	Respondents	Percentage (%)
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	(Number)	
18-28	14	28
29-39	20	40
40-50	16	32
Total	50	100

Above table shows that the age distribution of the respondents in the selected SHGs are 28% of the respondents belong to the age group of 18-28, 40% maximum number of respondents are from 29-39 age group and in 40-50 age group, 32% respondents are selected.

2) *Marital Status*

Table- 2. Marital Status of the Respondents

Marital Status	Respondents (Number)	Percentage(%)
Married	43	86
Unmarried	05	10
Widow	02	04
Total	50	100

From the above table it is shows that maximum respondents are married 86%, unmarried 10% and widow 04%.

Table- 3. Caste Category of Respondents

Category	Respondents (Number)	Percentage (%)
General	25	50
OBC	10	20
SC	15	30
ST	00	00
Total	50	100

It is shows that 50% members are belonging to general category, 20% from OBC, 30% from SC and there are no ST members in the groups.

3) *Type of Family*

Broadly speaking there are two types of families in the Indian society, viz .joint family and nuclear family. Joint family is a traditional type of family which consists of members of at least two generations together and the nuclear family consists of husband, wife and their unmarried children.

Table 4. Distribution of the Respondents on yhe Basis of their Type of Family

Type of Family	Respondent	
	Number	Percentage (%)
Nuclear	32	64
Joint	18	36
Total	50	100

In table 5.4 maximum numbers of respondents are belong to nuclear family i.e 64%, 36% from joint family.

4) *Qualification*

Education refers to modification to behaviour, improve knowledge and develop skills. It is an act of learning continuing from birth to death. Here illiterate means a person who do not knowing how to read or write and literate means knowing how to write and read only her name.

Table -5. Distribution of The Respondents on the Basis of Their Qualification

Qualification	Respondents	
	Numbers	Percentage (%)
Illiterate	20	40
Literate	12	24
Primary	10	20
Secondary	05	10
10 th	03	06
Total	50	100

From the above table 40% of women respondents are illiterate, 24% literate, 20% have completed primary, 10% have completed secondary education, and 06% have completed their 10th.

5) *Occupation*

Occupation plays a vital role to determine the economic status of a respondent. It generally means jobs or profession of a person. Here 4 types of occupation are house wife, agriculture labourer, household worker, and any others.

Table-6. Distribution of the respondents on the basis of their Occupation

Occupation	Respondents	
	Numbers	Percentage (%)
Housewife	32	64
Agricultural Labourer	10	20
Household Worker	05	10
Any Others	03	06
Total	50	100

Maximum number of respondents are engaged as a housewife i.e 64%, 20% depend upon agriculture. 10% doing household work and lowest 06% are engaged in other works.

6) *Monthly Income*

Income is a part of understanding the respondent's economic condition. Monthly income means the money that a person earns from work regularly every month.

Table-7.Distribution of the Respondents on the Basis of their Monthly Income

Monthly Income after Joining SHGs	Respondents	
	Numbers	Percentage (%)
Up to 1000	13	26
1001-3000	25	50
Above 3000	12	24

Total	50	100
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It shows that maximum no. of respondents 50% monthly income is 1001-3000, 26% are belonging from up to 1000 category and 24% respondents monthly income above 3000 after joining in the SHGs.

B. The Impact of SHGs on Rural Women Respondents

Table No- 8.Having Bank Account

Bank Account	Respondents	
	Numbers	Percentage (%)
SBI	32	64
Co-Operative	10	20
UCO	05	10
Others	03	06
Total	50	100

From the above table shows that maximum 64% are having SBI account, 20% in co-operatives bank, in UCO bank 10% and 06% in other bank.

Table- 9. Deposited Money per Month

Deposited Money Per Month	Respondents	
	Numbers	Percentage (%)
10- 100	35	70
101-200	15	30
Total	50	100

In the above table reflects that 70% of the respondents are deposited money per month Rs. 10- 100, Rs. 101-200 deposited 30% respondents.

Table- 10. Account before Joined SHGs

Do you have any Account before Joined SHGs	Respondents	
	Numbers	Percentage (%)
Yes	10	20
No	40	80
Total	50	100

It is shows that 20% members have account before joining and 80% do not have account before joining.

Table- 11.Before Joining from Whom you take Loan

Before Joining from Whom you take Loan	Respondents	
	Numbers	Percentage (%)
Bank	05	10
Money lenders	35	70
Any others	10	20
Total	50	100

In case of borrowed money before joining in SHGs, 70% maximum are says that from money lender they borrowed loan, 20% cases they take from other sources like relative, friends etc. and very few 10% members are borrowed from bank.

Table- 12. Now Purposes of Loan

Now Purposes of Loan	Respondents	
	Numbers	Percentage (%)
Domestic purpose	05	10
Business purpose	45	90
Total	50	100

In the above table shows that 10% respondents are borrowing loan for domestic purpose like daughter marriage, children education, for medical purposes and 90% respondents are for business purposes like agricultural purposes, buying goat, cow, tailor machine, making grocery item like badhi, pampad, mirchi powder, turmeric powder etc.

Table- 13. Attend Group Meetings

Attend Group Meetings	Respondents	
	Numbers	Percentage (%)
Regularly	38	76
Sometimes	10	20
Never	02	04
Total	50	100

It is shows that 76% respondents are attend the group meeting regularly, but 20% respondents are sometimes attend the meeting due to lack of time for house work and 04% are never attend, due lack of interest.

Table- 14. Participated Government Activities (MDM, Aganwadi)

Participated Government Activities (MDM, Aganwadi)	Respondents	
	Numbers	Percentage (%)
Yes	15	30
No	35	70
Total	50	100

From the above table reflected that 30% members are engaged in government activities like MDM and Aganwadi work, but 70% members are not participated because they are doing other business activities.

Table- 15. Benefited after Joining SHGs

You Feel Benefited After Joining SHG	Respondents	
	Numbers	Percentage (%)
Yes	45	90
No	05	10
Total	50	100

In the above table shows that maximum 90% members are benefited and satisfied by the SHGs after joining it and 10% are not satisfied.

C. Major Findings

- In the SHGs 40% respondents are from 29-39 age groups.
- 86% respondents are married, unmarried respondents are 10% and widow respondents are 04%.
- 50% are general category, 30% OBC and 20% SC, no ST in these groups.
- 64% respondents are belonging to nuclear family than joint family.
- 40% women respondents are illiterate.
- Before joining SHGs 64% of the respondents are engaged as a housewife then 20% are depend upon agriculture, 10% in household work and 6% are involved in other works.
- 50% respondent's monthly income are 1001-3000, 26% respondents are belonging from up to 1000 category and 25% respondents' monthly income above 3000 after joining in the SHGs.
- 64% women respondents are having SBI account, 20% are having co-operatives bank account, and 10% UCO bank account and 6% respondents are having bank account in other banks.
- 70% of the respondents are deposited money per month Rs. 10- 100.
- 20% respondents have bank account before joining and 80% members of the groups do not have an account before joining.
- Before joining in SHGs, 70% are said that they borrowed money or loan from their money lender, 20% are from the relatives, friends and 10% respondents borrowed money from bank.
- 10% respondents are borrowing loan for domestic purpose like daughter marriage, children education, for medical purposes and 90% respondents are for business purposes like agricultural purposes, buying goat, cow, tailor machine, making grocery item like badhi, pampad, mirchi powder, turmeric powder etc.
- 77% respondents are attend the group meeting regularly, 20% respondents are sometimes attend the meeting due to lack of time for household work and 4% members are never attend meeting, due lack of interest.
- 30% group members are engaged in government activities like MDM and Agranwadi work, but 70% group members are

not participated because they are doing other business activities.

- 90% members are benefited and satisfied by the SHGs after joining it.

V. CONCLUSION

From the above discussion it is clear that SHG play an important role in the life of rural women and it is a best weapon for women empowerment. After joining in the group they became self sufficient and independent. They can improve their lifestyle and standard of living by joining as a member of SHGs. They can easily solve their economic problem by bank loans with low interest. Now- a- days they feel very happy because thought that all problems are solved easily by SHGs.

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