



Women Empowerment through Self Help Groups - a case study of Banarpal Block in Angul District of Odisha

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ABSTRACT

Women empowerment means giving women the strength and power to stand for her rights in every field of our male dominated society. Self help group giving poor women the opportunities for this. The Self Help Group model is an assisted self-help process where the state, financial institutions and the Non-Government Organizations play an important role in mobilizing and assisting the poor and needy people. Self Help Group model of development has brought a silent revolution in rural households of India in 20th century social development. This paper tries to evaluate the performance of selected women SHGs in Banarpal Block of Angul district of Odisha.

KEYWORDS : Self Help Groups, Women Empowerment, Micro Credit

Introduction:

Self Help Group model of development is a 20th century social development. It has brought a silent revolution in rural households of India. The SHG model is an assisted self-help process where the state, financial institutions and the Non-Government Organizations play an important role in mobilizing and assisting the poor and needy people. The Indian experience is distinctive in the sense that the SHGs are mostly formed by women through grassroots mobilization with the help of NGOs and are engaged in poverty alleviation and empowerment activities. Over the years SHG has proved to be the most potent tool in building human capital among the deprived. Self realization and self initiatives has taken shape through this sustainable development initiative. From an informal group of late eighties these SHGs have converted themselves into partners in the SHG movements in 21st century of India.

Women Self Help Groups (WSHGs) have developed as small organizations to disburse micro-credit to women and to encourage them to enter into entrepreneurial or income generating activities.

This paper tries to evaluate the performance of selected women SHGs in Banarpal Block of Angul district of Odisha. The study area is Banarpal Block, which is situated in the central part of Angul district. It is located at a distance within 15 kilometers away from the district headquarter of Angul. The Block is bounded by different public sector and private sector companies.

Review of Literature:

There are sufficient literatures on women SHGs in India. In Odisha also some studies have been done on women SHGs. But, due to time and cost factor, a few of them have been reviewed in this research work.

(Sahoo, 2013) In this study he analyze the role and performance of SHGs in promoting women's empowerment in Cuttack District of Odisha. The broad objective of the study is to analyze the operating system of SHGs for mobilization of saving, delivery of credit to the needy, repayment of loans and in building up of opinion of SGH members regarding increase in the power of decision making. The study focuses on the role of SHGs in women empowerment, social solidarity and socio-economic betterment of the poor for their consolidation.

(Mohanty, Das & Moahanty, 2013) In their study they stated that the rural Odisha women's decision-making and capacity building through participation in Self Help Groups and microenterprises.

(Puhazhendi & Badyata, 2002) This study stated that after joining in the SHGs, women members income increased and increased opportunities of employment in non-farm and off farm employment in addition to social empowerment.

(Rajagopalan, 2005) Women gained very significantly in terms of mobility, self confidence, access to financial services, building of own savings, competence in public affairs and improved status at home and in the community.

(Mohapatra, 2012) This study stated that SHGs contributed to socio-economic empowerment of women at household level.

Objectives of the study:

-To evaluate the performance of selected women SHGs in Banarpal Block of Angul district of Odisha.

Hypothesis:

Micro credit helps members of women SHGs to start new income generating activity.

Methodology:

The present study is covering 15 Gram Panchayats under Banarpal Block in Angul District of Odisha. The Primary data are collected from personal interviews, Focused Group Discussion (FGD) and questionnaires. The secondary data are collected from block, panchayats, government publication, books and journals, etc. The various statistical methods such as, tables, figures, average, percentage and other related statistical techniques are used to analyze the collected data and information.

The sampling method chosen for the above research design is total of 30 SHGs of Banarpal Block is decided to select from 15 Gram Panchayats by simple random sampling method. From each SHG, 6 members are taken for interview. The sample sizes of 180 SHG members.

Finding and Analysis:

The Women Self Help Groups have played a dynamic role in the economic development of Banarpal Block. They are engaged in agriculture activities, household industries and other related economic activities. It has been observed in field survey that women are hard workers, hopeful; self determined and are willing to take risks in setting up new business. It is a tradition on the part of women to make efficient management of household affairs, but now-a-days, women are equally interested in setting up their own business enterprises to become independent and self-reliant through SHGs.

The performance of women SHGs in Banarpal Block depend on a number of variables. These variables are as follows.

Selection of economic activities:

For the improvement of the socio-economic activities. As a result of which, rural unemployed youth and women have become self-employed. In the field survey of Banarpal Block, it is revealed that the SHG members of 15 Gram Panchayats have chosen the economic activities like tailoring, weaving and embroidery, domestic food product, poultry farming, banana cultivation and mushroom farming etc. The following table-1 represents the key activities of the SHGs-

Table 1: Key Activities of the SHGs

Sl. No.	Key Activities	No of SHGs	Percentage
1	Banana cultivation	3	10.00
2	Weaving and embroidery	4	13.33
3	Tailoring	6	20.00
4	Domestic food product	8	26.66
5	Poultry farming	4	13.33
6	Mushroom cultivation	5	16.66
Total	-	30	100.00

Source: Field Survey

According to the above table, 46.66% of SHGs has adopted tailoring and domestic food products as their key activity. The lowest percentage 10% of SHGs has adopted banana cultivation, poultry farming etc. The percentage of other activities are-weaving and embroidery 13.33%, and mushroom cultivation 16.66%.

Reasons for Joining SHGs:

The aim of the SHGs is to promote savings and to provide credit facilities among the members for the productive and consumption purposes. There are three reasons for joining SHG. These reasons are (a) to improve living standard, (b) to start business and (c) social status.

The data analysis reveals that the highest number of respondent's i.e. 95 joined SHG to improve their living standard. The lowest number of respondents 05 joined SHG to maintain social status. Only 10 number of respondents joined SHG to start business. In this block, women are lacking in the business because of poor economic condition as well as due to lack of entrepreneurial skill.

Year of Establishment of SHGs:

An attempt has been made in this survey to know the year of establishment of SHG to indicate the length of the survival of the unit. For this purpose, data have been collected on the year of establishment of SHGs in Banarpal Block.

It is showed in the table-2.

Table 2: Age of SHGs

Sl. No.	Age of SHG	No of SHGs	Percentage
1	Less than 3 years	07	23.33
2	3 to 6 years	5	16.66
3	6 to 9 years	7	30.00
4	More than 9 years	11	36.66
Total	-	30	100.00

Source: Field Survey

It is found in field survey that the largest number of SHGs i.e. 36.66% are more than 9 years of age while the lowest of SHGs the number of SHGs i.e. 16.66 % are the age between 3 to 6 years. It is observed that majority of number of SHGs were started during 2001-02, because this may be due to Mission Shakti programme undertaken by the government of Odisha as well as awareness programmes from SGSY (Swarna Jayanti Grameena Swarojagar Yojana).

Distribution of Members of SHGs:

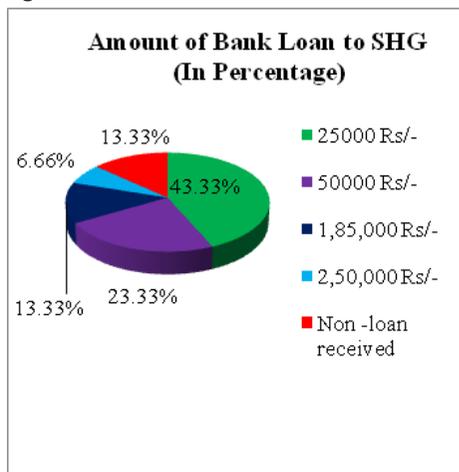
Smaller membership of a group implies better coordination than that of a larger group. Though the concept of SHG depends on membership strength of 10-20.It is found in field survey that the highest number of 69.90% of SHGs belongs to 10 members group whereas other represents the 20 membership strength.

Amount of Bank loan through SHGs:

Rural credit is one of the most essential inputs to accelerate the development process in the block. Its timely availability in right quantity, at a reasonable rate of interest, provides gainful economic activities in the rural sector. The people of low income groups are deprived of rural credit. Banks generally decline to provide finance to small farmers, marginal farmers, landless labourers, petty artisans, and other landless people as they cannot provide adequate mortgage to the banks.

The need of rural people for rural credit is satisfy by the formation of SHG. The amount of loan by the banks to the SHGs represented in the fig.1.

Fig. 1: Amount of Bank loan to SHG.



Source: Field Survey

It is found in field survey that 43.33% women SHGs received Rs.25,000 amount of loan from bank and the lowest 6.66% received Rs.2,50,000. It is also found in field survey that 13.33% women SHGs do not received any amount of loan from government.

The SHG also provides various types of loan to their members. The various types of loans provided by SHG are business loan, marriage loan, medical loan, housing loan, poultry loan, agricultural loan. The various types of loan provided by SHG to their members are depicted in the table 3 below –

Table 3: Types of Loan provided by the SHGs to their Members

Sl. no	Type of loans	No of respondents	Percentage
1	Business loans	47	26.11
2	Marriage loans	26	14.44
3	Medical loans	30	16.66
4	Housing loans	18	10.00
5	Cattle loans	18	10.00
6	Agricultural loans	27	15.00
7	Non-loan receiver	14	7.77
Total	-	180	100.00

Source: Field Survey

The SHGs in the study area provide loan to their member for various purposes like small business, marriage, medical purpose etc. The highest percentage of loan, i.e., 26.11%, is provided by SHG to their members for business purpose. The lowest percentage of loan, i.e., 10%, is provided by SHG to their members for housing purpose and cattle purpose. It is the general body meeting of SHG which decides the loan disbursement procedure. It is observed in data analysis the all members in the SHG are in need of credit.

It is found that the highest percentage, i.e. 42.77 %, SHGs members received loan amounting to Rs.1000-5000. 21.11%, SHG members received loan amounting less than Rs.1000 and 28.33% Rs.5000-8000 respectively. It is also observed in data analysis that 7.77% members SHG do not received any loan. The SHGs sanction loan to its members at a reasonable rate of interest. The interest rate of SHGs varies from group. They generally change rate of interest Rs.3% per month.

Repayment of loan by SHGs members:

The members of SHG make repayment of loan by two ways, such as, repayment in time, repayment not in time. In field survey it was found that the members of SHG use the loans for various purposes, either individually or in group as a whole. The highest percentage, ie.76.36% SHGs members, repay loan in time whereas, the lowest percentage,

ie.14.63% SHG members do not repay loan in time. The small, marginal and landless farmers and other economically underprivileged section of the society need credit to perform day-to-day activities. They need a small amount of loan ranging from Rs. 500 to Rs. 10,000 for a particular season or period. These types of loans generally not financed by the banking sector. Traditionally, people have to depend on money-lender, traders, commission agents, business community for these types of loans at an exorbitant rate of interest. The growth of SHGs in the last decades has achieved tremendous progress in providing rural credit to the underprivileged section of the rural society. Most of nationalized and regional rural banks have come forward to provide credit support to SHGs. For development of credit linkage SHGs passes through a process of gradual evolution during the process, the institute built the capacity of the SHG to manage the selected income generating activity and keeps on monitoring the performance of the SHGs and accordingly concerned banks are also involved in the process.

Training of the SHGs members:

Banarpal Block has been conducting training programme on various economic activities at regular intervals with the help and guidance of Angul District Rural Development Agency to the members of SHG. Training has been generally provided to unemployed youth in the rural area through group formation. The training has changed the outlook of the people and they are motivated to undertake economic activities to improve their economic conditions. It has also helps to reduce poverty and unemployed in the block. Because trained people have started taking economic activities like mushroom cultivation, poultry farming, tailoring etc. The distribution of trained members in SHGs has been shown in the table-4

Table 4: Distributions of Trained members in SHGs

Sl. No	Trained Members	No of SHGs	Percentage
1	04	07	23.33
2	03	10	33.33
3	06	05	16.66
4	10	03	10.00
5	Non-trained members	05	16.66
Total	-	30	100.00

Source: Field Survey

It is observed in field survey that most of the SHGs are trained by the government agency and only 5 SHGs are not trained.

From the study through primary sources it was clear that the women SHGs in both rural and urban areas are very active in providing income generating activities in Banarpal Block in Angul District. It can be clear that of the women SHGs are more vital in eradication of poverty. The sample beneficiaries, are gaining employment by adopting own personal skills and home based activities. The overall analysis of this variable establishes that women empowerment of the block was above average and the hypothesis set that the rural credit helps members of women SHGs to start new business. It is found that majority of women SHGs have taken loan for various economic activities, such as, mushroom cultivation, tailoring, poultry farming, Weaving and embroidery, banana cultivation etc. The women SHGs of Banarpal Block are providing rural credit to women members of the SHGs. Therefore, hypothesis is accepted. It would be more fruitful if more and more women come forward and join in SHGs, at a faster rate.

Conclusion:

The micro-credits system is playing a significant role in empowering women through SHGs by the sources of National Bank for Rural Development (NABARD). So micro-finance now is extending a whole range of financial services from savings to credit, to micro enterprises and a lot more for the poorer sections of the society. SHGs are fast emerging as powerful tool of socio-economic empowerment of rural poor women in India.

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