

Problems of The Shg Members in Yadgir District of Karnataka



ECONOMICS

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ABSTRACT

The position of women as central role players in the over all development of a society is proved during the long evolution of societies in different parts of the world. It is also proved that no true development is possible without women's participation. It has been documented in a plethora of studies that in societies where such social and economic empowerment of women was initiated there have been positive implications on economic development, gender equality and social justice. It is for this reason woman was and is described as better half of a man. However, in reality, the status of woman throughout the world particularly in developing countries like India does not reflect the above description. In most of the South Asian countries, the status of women is comparatively low and their socioeconomic conditions are much more disheartening than that of men and India is no exception in this context, as women are still suffering in the spheres of social and economic life as second rated citizens.

Introduction:

It is now widely accepted that micro finance makes a positive contribution to poverty reduction efforts. However, access to micro finance does not automatically lead to increased earnings, nor is it a panacea for poverty reduction, since the creation of income generating opportunities through access to finance assumes a certain economic environment and entrepreneurial capacity of the poor. Qualitative as well as quantitative assessment of both the positive and negative impacts of micro finance would be a challenging task where diverse micro finance institutions themselves are evolving to meet the diverse needs of poverty situation. The access to finance provides the poor with opportunities to invest in income generating activities, smooth consumption and thus reduce their vulnerability to income fluctuations during emergencies.

Review of literature

Rasure, K. S. (2002) in his study opined that empowerment should be externally induced, so that women can exercise a level of autonomy. There should also be self empowerment so that women can look at their own lives.

Muhammad Yunus (2004) in his paper traces the evolution of the ideas and practice of micro credit as pioneered by the Grameena Bank. Micro credit programmes in Bangladesh have grown, providing a wide range of services to meet the economic and social needs of its citizens, mostly for women.

Nasi, S. K. (2004) has undertaken study in Belgaum district and found that after formation of group, the members were able to force Mandal Panchayat authorities to take up road asphaltting work in many villages. The SHGs also pressurised the authorities concerned to start school in the villages of Taluka.

Statement of the problem:

Yadgir is considered as one of the most backward districts of Karnataka in the country. Majority of the people in this district are living in the rural areas and most of them depend upon the agriculture for their livelihood. The main objectives of the researcher here are to study to what extent the Self Help Groups have succeeded in achieving their goals, to know the obstacles on their way and try to evolve the corrective measures which would help in overcoming their problems and make them to carry out activity smoothly.

It is also clear from the above review of literature that some studies have been undertaken on various aspects of SHGs at different places. However, it is evident from the available literature that no studies are made exclusively and extensively covering the micro-financing and socio-economic aspects of SHGs in Yad-

gir district though there are reasonable numbers of SHGs. Therefore, the present study entitled problems encountered by the SHGs Members has been undertaken to fill the gap.

Objectives of the study

The following are the important objectives of the study.

- 1) To find out the various constraints and problems encountered by the SHG Members in Yadgir District of Karnataka
- 2) To make suitable suggestions for the development of SHG Members.

Methodology of the Study:

Both Primary and Secondary data are used to achieve the above objectives of the study. Primary data have been collected from the SFGs members in the selected areas of Gulbarga District of Karnataka by using structured schedule. The Yadgir District consists three Talukas viz., Yadgir, Shorapur and Shahapur a Secondary data are collected from the annual reports, books and magazines, journals and the Internet/website.

Scope of the study

The study covered mainly major problems and constraints faced by them during the course of starting and managing their business. And also it covered the suggestions for mitigating the problems faced by the SHG members in the Yadgir District of Karnataka. The problems have been categorized into Five heads i.e. Administration, Finance, personnel, and Miscellaneous Problems.

Administrative Problems:

Though Self Help Groups are helping the poor in emergencies to meet their short term and long term financial requirements, they are not free from administrative problems. The administrative problems observed in the study area are presented in the following Table-1

Table - 1
Administrative Problems Faced by SHGs Respondents

Sl. No.	Particulars	No. of Respondents	Percentage
1.	Lack of awareness about credit management	159	53.00
2.	Records maintenance by leaders	75	25.00
3.	Formation of groups based on caste	186	62.00
4.	Lack of effective leadership	135	45.00
5.	Lack of co-operation among SHGs member	156	52.00
6.	No active follow up programmes	88	29.00
7.	Lack of effective coordination among officials	63	21.00

Source: Filed Survey (Multiple responses obtained)

Table -1 shows the administrative problems faced by the Self Help Group respondents. 62 percent of the respondents stated the problem of formation of groups based on caste followed by 53 percent of the respondents opined that lack of awareness about credit management. Lack of cooperation among the members of SHGs in the group is another problem as 52 percent of the respondents have expressed.

Personal Problems:

In Indian society, a women how her birth until death was always sheltered by a man and had no right to being independent while majority of the respondents said that they did not face any resistance from their has bank or family members. In India, it is mainly women's duty to look after the children and other members of the family. Her involvement in family leaves little energy and time for business. Married women entrepreneurs have to make a fine balance between business and home. Their success in this regard also depends upon support from husband and other members of family. Occupational backgrounds of families and education level of husbands have a direct impact on the development of women members. After formation of the groups some of the personal problems faced by the Self Help Group respondents are shown in Table -2.

Table-2
Personal Problems Faced by SHGs Respondents

Sl. No.	Particulars	No. of Respondents	Percentage
1.	Domestic work and child care	87	29.00
2.	Lack of education	189	63.00
3.	Feel like beings as women	78	26.00
4.	Self confidence	65	22.00
5.	Lack of knowledge about functions	201	67.00
6.	Lack of co-operation from husband and elderly members of the family	96	32.00
7.	Indifferent attitude of society	75	25.00

Source: Filed Survey (Multiple responses obtained)

The Table-2 shows the personal problems encountered by the sample SHG respondents in the study area. 67 percent of the respondents stated that the lack of knowledge about functions and responsibilities of groups, 63 percent of the respondents stated lack of education, 32 percent of the respondents said lack of cooperation from husband and elderly members of the family. The other problems are domestic work and childcare, feel like beings as women, lack of self confidence, and lack of motivation.

Financial Problems:

Finance is regarded as “Life Blood” of any enterprises whether it is big or small. Women and small entrepreneurs always suffer from inadequate financial resources and working capital. They are lacking access to external funds due to absence of tangible security and credit in the market Women do not generally have property in their names. Due to the lack of confidence in women's ability, male members in the family do not like to risk their capital in ventures run by women. The following are some of the problems associated with finance expressed by the respondents are shown in the Table-3.

Table-3
Financial Problems Faced by SHGs Respondents

Sl. No.	Particulars	No. of Respondents	Percentage
1.	Exhorbitant rate of interest	113	38.00
2.	Complicated procedure in availing loan	148	49.00
3.	Insufficient financial assistance	81	27.00
4.	Loans not received in time	127	42.00
5.	Credit sale	75	25.00

Source: Filed Survey (Multiple responses obtained)

The Table-3 clearly depicts that among the various financial problems faced by the Self Help Groups respondents 49 percent of the respondents have said complicated procedure in availing loan amount and 42 percent of the respondents have said loans not received in time. The important problem related to the finance is rate of interest. As many as 113 respondents representing the 38% of the total have opined that the rate of interest is exhorbitant (it ranges from 36% - 54%). The assistance given also insufficient to meet the respondent's requirements.

Miscellaneous Problems:

In addition to the problems discussed above the respondents have stated some minor problems which are taken as miscellaneous problems and presented in the Table-4.

Table-4
Miscellaneous Problems Faced by SHGs Respondents

Sl. No.	Particulars	No. of Respondents	Percentage
1.	Lack of stability and unity	54	18.00
2.	Lack of training facilities	75	25.00
3.	Non-availability of common workshed	156	52.00
4.	Political interference	77	26.00
5.	Work not regular	45	15.00
6.	Exploitation by influential members	45	15.00
7.	Uncertain and lower income	38	13.00

Source: Filed Survey (Multiple responses obtained)

The Table-4 shows the miscellaneous problems faced by the SHG respondents in the Gulbarga district. Majority (52%) of the Self Help Groups members stated that the non availability of common work shed for functioning of group activities, followed by this is political interference which lead to the fatal death of the programme. 26 percent of the respondents have expressed that political interference had increased to such an extent that now-a-days no SHG is without political affiliation and there are instances of conflicts among group members on political issues. 25 percent of the respondents have stated that the lack of training facilities. The other problems were, lack of stability and unity due to shift in place of residence, married women fail to remain associated with groups, exploitation by influential members and uncertain and lower income.

Discussion of the study

From the above study reveals that Members of SHG on their own find it difficult to accommodation in smaller town, since a single women asking for a room is still looked upon with suspicion. Officials harass many of the women, as women are believed to be less able to go through complicated court proceedings. As regards overcoming of the initial resistance from husband/family members at the time of start up of the enterprise the prospective women entrepreneurs are advised to maintain their cool and keep on convincing them in a positive ways regarding the usefulness of setting up of an enterprise.

Suggestions:

Government should encourage export of goods which are produced by the group members and should bear the discount amount which is allowed by the groups on the sale of their products.

The government should encourage periodical research and assessment of the programme preferably by persons professionally competent and independent of the NGOs and the Government.

Self Help Groups are playing a crucial role in harmonising the society and strengthening rural economy. Hence, they must be encouraged to avail of training programmes and should manufacture diversified quality products to enhance their competitive strength in the market.

Promote inter-group networking for developing ties to understand the mutual group requirements and support each other.

he promotional agencies like NGOs and banks should impart training to Self Help Groups members and encourage them to undertake home industries like detergents making, agarbathi, candle, food articles making, leaf lets making etc.

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