



ORIGINAL RESEARCH PAPER

Commerce

PROBLEMS OF THE SHG MEMBERS IN KALABURAGI DISTRICT OF KARNATAKA

KEY WORDS: poor, Women, Self, Development, Generation, Income, Seving

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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. Among various reasons for the above situation, the level of poverty is definitely identified as major impediment. Further, either limited or marginal employment opportunities in many of the socio-economic activities, low levels of skill, lack of education have all contributed to low economic status to women in India. In addition, malnutrition, poor literacy levels, poor status of health and exposure to various unkind treatments like domestic violence, if not equally significantly restricted women's participation in the development process of the country.

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. Yet there are many uncertainties associated with assessing the impact, such as the extent to which micro finance contributes to pulling people out of poverty on a permanent basis and the extent of out reach to the poorest.

Statement of the problem:

It is also clear from the 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 Kalaburagi 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 Kalaburagi 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 Kalaburagi District of Karnataka by using structured schedule. The Kalaburagi District consists ten Talukas viz., Kalaburagi Sedam, Chincholi Aland Abzalpur, Chittapur and Jewargi. 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 Kalaburagi District of Karnataka. The problems have been categorized into Four heads i.e. Administration, Finance, personnel and marketing Problems.

Period of the study:

The proposed study covers five years period starting from 2015-06 to 2016-17 and analyze various aspects of Self Help Groups and role played by the financial institutions during this period.

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 Table3.

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.

Marketing Problems:

Marketing is another area which often decides the income level of the SHGs due to the ups and down of the demand many of the respondents faced a number of problems pertaining to the

marketing services of their products. They are not in a position to face stiff competition from medium and large scale industries. Their financial resources are not adequate enough to implement effective marketing policies. An analysis of the nature of marketing problems faced by Self Help Groups in the study area is given in Table- 4.

Table-4 Marketing Problems Faced by SHGs Respondents

Sl. No.	Particulars	No. of Respondents	Percentage
1.	Problems of direct sale	105	35.00
2.	Lack of storage facilities	57	19.00
3.	Role of intermediaries	73	24.00
4.	Competition from large scale sector	60	20.00
5.	Lack of advertisement	54	18.00
6.	Slackness in demand	36	12.00
7.	Lack of exhibition programmes	30	10.00

Source: Filed Survey (Multiple responses obtained)

Table-4 shows that 35 percent of the respondents have stated that the problems of direct sale of finished goods, followed by 24 percent of the respondents have expressed that they depend upon intermediaries. However, 19 percent of the respondents have expressed the lack of storage facilities for finished goods as another problem. The other important problem is noticed in the study area is the competition from large scale sector. Since the SHGs are not financially sound they were not attempted to advertise their product.

Suggestions:

1. 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.
2. The government should encourage periodical research and assessment of the programme preferably by persons professionally competent and independent of the NGOs and the Government.
3. Promote inter-group networking for developing ties to understand the mutual group requirements and support each other.
4. 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.
5. Agricultural skills of members of the SHGs, including dairy management, poultry management and allied agro-based activities should be developed by agricultural Universities, Krishi Vigyan Kendras and research stations, in order to enhance their income generation potential.

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