

## A Study of Socio-Economic Conditions of SHG Members

**Ms. Shobha,**

Assistant Professor,  
Department of Commerce,  
St Aloysius College, Mangalore,  
DK district, India.

**Dr. P N Udayachandra,**

Associate Professor,  
Head, Dept. of Studies and Research in  
Commerce, SDM College,  
Ujire, DK district, India.

### ABSTRACT

*The role women play in society and the images society has of them have developed not simply from the exigencies of biology and social situations but are rather deeply rooted in the myths and legends and the religion of the culture. Empowerment of women has been recognized as the key route for the development of any society. Women Self help groups have often been considered as a strategic way to organize the poor women into homogenous groups and make way for channelizing services like micro finance, micro enterprise and micro insurance with necessary linkages to technology, market support and other needed input. Life of rural women is still underdeveloped due to various reasons like illiteracy and low income. SHGs play a very important role in developing the women in the rural areas. Government needs to interfere and contribute towards the growth of institutions promoting SHGs as these institutions have to manage with their limited finances. In this study an effort has been made to understand the socio- economic conditions of members of SHGs in rural parts of Dakshina Kannada district. Study has been done by taking the SHGs promoted by an NGO called SKDRDP ( Shree Kshetra Dharmasthala Rural Development Project) which is a pioneer institution in promoting SHGs all over Karnataka. For the purpose of this study sample has been selected by using multi stage sampling. Three taluks of Dakshina Kannada district were taken for the study, again one valaya has been selected from each taluk, from which a small size of SHGs were selected as respondents.*

**Keywords:** SHGs, women economic, social, empowerment.

### INTRODUCTION:

Today women are educated about the social benefits and the social problems in the society. Presently they receive good recognition, good image in the family and the community. Women participate in political and public life and serve the entire community. The government and other non- profit organizations contribute and encourage the education of the girl child. Women are encouraged to participate in business activities by the government by setting aside various funds and establishing various committees for the betterment of them. Nowadays it is taken for granted that for a holistic development of the family to take place, the involvement of women in this process is essential. The self-help group movement initiated in the 90s, first in Bangladesh and subsequently in India, had the aim to contribute towards improving the conditions of marginalized women and thereby improving the life of her family.

During the past two decades considerable changes and improvements in economic and social lives have taken place among lakhs of women and their families, foremostly among those descended as belonging to the marginalized strata of Indian society, though much more remains to achieve. Some of these improvements are attributed to the work done by numerous SHGs, spread all over India.

Women constitute almost fifty percent of the population of the country, As per Census 2011, India's population is 121.06 Cr with 48.5% female population. (ministry of statistics and programme implementation) but they have been neglected by the policy makers and the society at large. Rural women constitute as one of the most

vulnerable sections of our society. There are actually no proper indication of measurements to identify the role of rural women. Organizations like census of India and national sample survey have put in continuous efforts to improvise the concepts and methodology of estimating workers particularly women workers. (Dr. Smt. Y. Indira Kumari, Dr.B.Sambasiva Rao.2005).

### **Status of women in India at present:**

#### **Literacy:**

As per 2011 census, literacy rate in India has been reported as 74.04% with a 14% increase to that in 2001, whereas the hike is maximum for rural women at 26% in the last decade, which may be attributed to literacy mission of Government of India. The female literacy levels according to the Literacy Rate 2011 census are 65.46% whereas the male literacy rate is over 80%. The adult literacy rate for male is 78.8 against 59.3 of females in 2011. In 2011, just half of the rural adult females are literate against 76.9% urban females. Drop-out Rates As per Ministry of Human Resource Development Publication, drop-out rates in the year 2013-14 were observed to be 18.30 and 21.20 in the classes I-V, 32.90 and 39.20 in classes I-VIII for females and males respectively indicating that the drop out at primary level is more or less equal for both the genders but the gap increases in higher classes

#### **Participation in Economy:**

Although women constitute a little less than the half of the economically active population, but their contribution to economic activity is far below its potential. As per Census 2011, the workforce participation rate for females is 25.51% against 53.26% for males. Rural sector has a better female workforce participation rate of 30.02% compared with 53.03% for males whereas for urban sector. Worker Population Ratio National Sample Survey (68th Round) results indicate that the worker population ratio for females in rural sector was 24.8 in 2011-12 and 54.3 for males. In Urban sector, the ratio is 14.7 for females and 54.6 for males. Among the major States, the disparity in worker population ratio between male and female is highest.

Unemployment rate: The unemployment rate for women in Rural area was 2.9 against 2.1 for men whereas it was 6.6 & 3.2 for women & men in urban areas during 2011-12. Contemporary Indian society has been exposed to the broad processes of social transformation, agricultural modernization, economic development, urbanization, rapid industrialization and globalization. However, these processes have generated regional imbalances, sharpened class inequalities and augmented the gender disparities. Hence, women have become critical symbols of these growing imbalances.

All these have affected adversely the various aspects of women's status in the contemporary Indian society. The growth of a society might get hampered due to many obstacles and one of the major obstacle is crime against women. This social obstacles against women is a major concern for women where empowerment of women is being so sought after. The empowerment of women gets jeopardized due to various crimes against them.

#### **Self Help Group (SHG):**

SHG is a three decade old concept aimed at women empowerment. By most accounts, SHG have had a major role in fast tracking India's economic development. From a concept, it has slowly become a movement. SHG membership is made up mostly of women. Consequently at the macro level, participation of women in the country's economic development is increasing, while at the micro level, they now are able to play an important role in elevating the economic status of their families.

SHG model in India: In India three different models of SHGs based on their linkage to financial institutions have emerged.

- a) Banks themselves form and finance the SHGs.
- b) SHGs are formed by NGOs and other agencies but financed by banks.
- c) Banks finance SHGs with NGOs and other agencies as financial intermediaries.

The second model is the most popular model. Almost three fourths of all the SHGs come under this model. Only 20% of the SHGs are covered under the first and 8% under the third model respectively. (U Kiran, 2017).

#### **SKDRDP :**

Shri Kshethra Dharmasthala Rural Development Project, popularly known as SKDRDP, is a charitable trust promoted by Dr. D. Veerendra Heggade. SKDRDP concentrates on the empowerment of people by organizing Self-help Groups (SHGs) on the lines of Joint Liability Groups (JLGs) and provides infrastructure and finance through micro credit for the rural people.

The Shri Kshethra Dharmasthala Rural Development Project encompasses all aspects of enriching the rural life. It is currently expanding its developmental activities to all the districts of Karnataka. SKDRDP is active with its

Community Development Programs throughout the state. The core strengths of the organization are the blessings of its promoters, dedicated band of workers, good will of the stakeholders and above all a comprehensive program to better the living environment of the chosen areas. During the Financial year 2015-16 SKDRDP has extended its area of operation to cover the state of Karnataka completely. SKDRDP is registered under the Charitable Trust Act of 1920 in the office of Sub-Registrar, Government of Karnataka, Belthangady Taluk, Dakshina Kannada District in the year 1991.

SKDRDP began to play its role in transfer of technology, providing infrastructure, and providing finance through micro credit. Besides, the project concentrated on the empowerment of rural women and hence began 'Jnanavikasa Program'. In response to the social needs of the area the SKDRDP innovated into activities like Janajagruthi, Community Development, Siri etc.

At the time of inception, a village-level worker known as 'Sevaniratha' would approach the stakeholder families, sit with them to prepare a five year development plan and assist them to implement the same. The Dharmasthala temple has given the required material support like equipment, seed materials on a charity basis. In keeping with the HR policy of the organization, the supervisory staffs were promoted from the sevaniratha cadre in the prevailing areas. This provided a great opportunity for the youngsters to show their oraganisational skills in the new area. Now sevaniratha are replaced by Sevaprathinidhis.

In order to give opportunities to the housewives and unemployed young women in rural areas who have time and inclination to do social work, SKDRDP has developed a new cadre called the Sevaprathinidhi, who work in their spare time and support the SHG movement in the village. Most sevaprathinidhis are women and this has positively affected women men ratio in the organisation. Now sevaniratha are replaced completely by Sevaprathinidhis.

In the early 90s, on review of the project, it was realised that mere charity does not give the desired result. Hence SKDRDP adopted the self-help mode by organizing Self-help Groups (SHGs), more on the lines of Joint Liability Groups (JLGs).

SKDRDP took an active part in implementing the financial inclusion plan of the government of India by working as Banking Correspondent and Business Facilitator (BC and BF) in all the areas of its operation. Under the programme SKDRDP is promoting Self Help groups enabling the poor people in the remote villages to access banking facilities at their door steps. SKDRDP is BC and BF to State Bank of India, Union Bank of India, Canara Bank, Corporation bank, IDBI bank, Pragathi Krishna Grameen Bank, Vijaya Bank and Syndicate Bank.

### **OBJECTIVES OF THE STUDY:**

- i) To study the social and economical conditions of the SHG members.
- ii) To know the opinion of the members about the SHG.
- iii) To give suggestions to the institution promoting SHGs, based on the observations.

### **METHODOLOGY :**

The sample has been selected using multi stage sampling technique. Firstly 3 taluks of Dakshina Kannada District were selected, again 1 circle from each of the taluks were selected. From the circle a small number of SHGs were selected. Number of SHG members in Bantwal circle is 3000, in Belthangady Circle 3100 and in Mangalore circle 2950. From each circle 1% of the members of were selected using simple random sampling. The number of respondents are 30 members from Bantwal taluk, 31 from belthangady taluk, and 29 from Mangalore taluk. Therefore sample size is 90.

Secondary data was taken from online journals and various government reports on the topic socio economic conditions of SHG members.

### **REVIEW OF LITERATURE:**

DA Nithya shree, Veena Chandavari and Rekha Rayanagoudar (2016) conducted a study on the profile of SHG members in Karnataka by taking eight districts, total of 400 SHGs consisting of 6338 members in it. Their study discovered the important reasons for joining SHGs. Highest number of respondents joined this SHG to get financial assistance specially loan,, next to promote savings habit, to raise the status in the society, to repay the loans and least number of respondents have joined with the intention of taking up income generating activities.

Dr. Preema Rose Nichlavose Jincy Jose (2017) did a study on the topic Impact of SHG Initiatives on Socio-Economic Status of Members, conducted in Kerala state , by taking 16 SHGs. After her study she has suggested

that there is a need to increase the training programmes given to the SHG members regarding the self development and entrepreneurial skill development. Dr.G.S .Parashurama, Shakunthala C, Shashikumar TP (2015). In their theoretical analysis of how a SHG will contribute towards the growth of women, they came to know that SHGs by giving the financial support to the members through micro credit, have definitely improvised the life style of women. Rathod Nilam, Devi Ganga (2018) in her study on the topic Economic Sustainability through women Self Help Groups in Tribal area of Gujarat, the author conducted her study by taking 2 taluks in Gujarat. Total of 120 respondents were taken for the study which includes 60 members and 60 non SHG members. By taking some of the financial ratios the study was done on SHGs and the non SHGs the credit ratio, repayment capacity were analysed. SHGs are playing the leading role in changing the economic scenario. Ramesh Raut Marshal, Prajapati R. R., Prajapati Dhara M., Prajapati M.R.(2015) in their study on the topic Socio-economic Impact of Self Help Group on Members in Banaskantha District of Gujarat. The authors made a ex-post-facto study by taking 2 taluks out of 12. Based on simple random sampling technique, 120 respondents were selected for the study. Changes in various aspects of life were studied. Income pattern, spending habit, employment etc were studied. The results show that there are changes happened in the area of income. The outcome shows that the changes were not that high but medium in the areas of Employability, income material possession. Sugasini G., Gandhimathi S.(2014) conducted study on socio economic profile of self help group and non self help group borrower farmers in Salem district of Tamilnadu. The authors conducted a study in a village called Manivizhundhan village, of Salem District of Tamilnadu. Multi stage sampling technique is used. For the purpose of study 50 members of SHG who are the borrowers of SHG and 50 non members were selected. Their objectives were to study the social and economic status of the households and to assess the impact of SHG on the economic back ground. T test was used along with the simple averages and percentages to fulfill the objectives. They took up this study with the objectives of studying the social economic profile and to assess the impact of Self Help Group on the economic back ground Authors drew the conclusion that compare to SHG members non members level of income, savings and consumption pattern is greater, the reason behind this is that the non member farmer are medium and large farmers. Meena Satyveer Singh, Sharma Mohit, Kumar Dushyant (2015), made a study of Impact of SHG on socio-economic conditions of women: Study pertains to Vidisha District of M.P. the comparative study of SHG members before and after joining SHG was done. For calculating paired differences- mean, standard deviation, T test were used for result calculation.

A sample selected is 100 females, using simple random sampling. Both primary and secondary data were used. Factors selected for the study were level of participation, respect from family members, monthly income, various kinds of payments like expenses of children fee, monthly bills, awareness, standard of living, savings, lending and so on. The study results show that the SHGs have been beneficial to the rural women., that they were able to achieve whatever they wanted to and impact of a SHGs is very positive on rural women. Malhotra Sharad (2016) made a study on the impact of the self help groups upon the under privileged houses and particularly the women in the area data was collected primarily from the members of the self help groups operating in Chandigarh. Questionnaire was filled from the women participants. Officials were also questioned and interviews were conducted to realize the practical situations. Some data from the bank were also gathered to get the official picture of these self help groups that will further analyse the real situation The data was collected from the SHG members who are women underprivileged women of rural area .SHGs have come up to uplift the rural poor and. They are very active in participating with government and non government organizations. Women have gained confidence and positive attitude. Manohar C.P. (2015), made a study on the topic impact of self help groups and micro-finance on economic empowerment of women – a case study of Haveri district in Karnataka, with the objectives of evaluating the role of Self Help Groups in women empowerment in the study area and assessing the impact of micro-finance provided by the SHGs to the respondent women members in their income generating activities, savings, etc. two taluks namely Ranebennur and Shiggaon were selected for the study. Sample of 240 women of SHGs were taken for the study. Impact of micro finance is positive on SHGs. SHGs were able to take the benefits of all the credit provided by the SHGs. They were able to generate income.

## **RESULTS AND DISCUSSIONS:**

1. Table showing the educational qualification and the employment status of the respondents.

Educational Qualification * Employment Status										
Educational qualification	Employment Status									Total
	House Wife	Beedi Rolling	Coolie	Tailoring	Agriculture	Sales Girlship	Private Company	Anganvadi Member	Any Other	
Illiterate	5	8	1	0	0	0	1	0	0	15
Primary	3	25	6	3	1	0	1	1	1	41
Higher Primary	1	6	1	0	1	0	0	0	0	9
SSLC	0	2	1	4	0	1	3	1	0	12
PUC	1	1	0	2	0	0	5	0	0	9
Degree	0	0	0	0	0	0	4	0	0	4
<b>Total</b>	<b>10</b>	<b>42</b>	<b>9</b>	<b>9</b>	<b>2</b>	<b>1</b>	<b>14</b>	<b>2</b>	<b>1</b>	<b>90</b>

**Interpretation:** The above table shows that highest number of respondents are having the primary level of education and depend on beedi rolling for their livelihood. Next higher level of respondents are illiterates and having SSLC qualification. Very few that's only 4 respondents are having degree qualification.

**Table showing the avenues of investment of respondents:**

Avenues	Frequency	Percent
Nationalized Bank	77	85.6
Co-operative Bank	7	7.8
Post Office	5	5.6
Gold	1	1.1
<b>Total</b>	<b>90</b>	<b>100.0</b>

**Interpretation:** All the respondents have their savings in the nationalized bank as it's the practice of the SHGs to collect the money from the respondents and invest in the nationalized banks with which SHGs have got their linkage. But very few respondents have got their savings in any other avenues of investment like cooperative society, post office or gold.

**Table showing the influencing factors and rankings given them by the respondents to join SHG:**

Factors influencing to join SHG	Ist factor	IInd factor	IIIrd factor	IVth factor	Vth factor
For the purpose of employment	14	14	14	23	24
Influence of family & friends	5	11	15	34	27
To involve in societal activities	5	15	20	20	28
For the savings and investment	55	13	10	6	5
To avail financial support	11	37	31	7	6
<b>Total</b>	<b>90</b>	<b>90</b>	<b>90</b>	<b>90</b>	<b>90</b>

**Interpretation:** The above table shows all the influencing factors and their rankings given by the respondents. More weight age is given for the savings and investment factor as its considered to be the first most important factor influencing the members to join SHG. And last influencing factors are for the purpose of employment, for the purpose of financial support. To involve in social activities has been given the third rank and most average factor which influences the SHG.

**Table showing the category of the respondents:**

	Frequency	Percent
Backward Caste	76	84.4
General Category	9	10.0
Minorities	4	4.4
SC / ST	1	1.1
<b>Total</b>	<b>90</b>	<b>100.0</b>

The above table shows that most of the respondents belong to backward community that's around 84%. Under general category which is the second top category under which the respondents fall.

**Table showing the age of the respondents and age of their children:**

		Age * No of Children					Total
		No of Children					
		0	1	2	3	4 or more	
Age	25 - 40	5	3	13	2	0	23
	41- 55	3	9	20	17	0	49
	56 and above	2	0	4	3	2	11
<b>Total</b>		<b>10</b>	<b>12</b>	<b>37</b>	<b>22</b>	<b>2</b>	<b>83</b>

**Interpretation:** In the above table we can see that most of the respondents who are within the age group of 25-40 are having only 2 children and do not have more than 3 children. The respondents who are in the age group of 41 to 55 are having 2 or 3 children but not having 4 children. Only the age group of 56 and above are having 4 or more children.

**Table showing the respondents purpose of borrowings from the SHG:**

Purpose of borrowing	Frequency	Percentage
To Start Business	2	1
To House Construction or Repair	59	43
To Buy Vehicle	8	6
For Children Education	34	25
For Marriage	16	11
For Health related Expenses	16	12
To buy Gold	3	2
<b>Total</b>	<b>138</b>	<b>100</b>

The above table shows that loan is borrowed for the purpose of house construction by many respondents, that's around 43%. Next purpose of borrowing is for children education which is around 25%. Next purpose of borrowing is for the purpose of health related expenses , which is 12%. The least purposes of borrowing are to start business and to buy gold.

**Table showing the level of improvement in various matters in the life style of the respondents, after joining SHG:**

	Highly improved	Improved	Neutral	Not improved	Not at all improved	Total
Financial literacy	27	61	1	1	-	90
Social knowledge	21	64	5	-	-	90
Social status	19	58	13	-	-	90
Savings habit	21	61	6	1	-	90
Income level	12	62	14	2	-	90
Standard of living	14	59	14	3	-	90
Children education	16	60	13	1	-	90
Self confidence	16	64	10	-	-	90
Leadership skill	13	65	12	-	-	90

**Interpretation:** The above table shows that the respondents are of the opinion that there is improvement in the areas of financial literacy, social knowledge, social status, savings habit, income level, standard of living, children education, self confidence and leadership skills. Compare to the level of improvement the respondents who are of the opinion that there high level of improvement on the above factors is comparatively lesser than that of the next level of improvement. We can say that there is still scope to improvise the status of the respondents through SHG concentrating more on the factors. There are some respondents who are very much neutral in their opinion about the same above factors.

## **FINDINGS AND SUGGESTIONS:**

### **The study reveals the following:**

- ✓ Most of the respondents fall in the category of mid age that is from 41 to 55.
- ✓ Hindus are large in number. But even the muslim and catholic community people also enrolled as members in the SHGs.
- ✓ Many respondents fall under other backward community. Equal number of respondents fall under general category and minorities.
- ✓ Most of the respondents are married women and having only 2 children. But there are a few respondents who have no children. Most of the families are nuclear families.
- ✓ Almost all the respondents have ration card and Aadhar card and belong to BPL category.
- ✓ Large number of respondents live in their own house. Only a few live in a rented house. Not many respondents own any land. Most of the respondents who own land have got agricultural land. Some respondents have got vacant land.
- ✓ Most of the respondents have got only primary education. Still many have not seen the school steps. If there are educated respondents then they are from the urban area only.
- ✓ Beedi rolling is the prime source of revenue for most of the respondents. There are some respondents who work as maids in others house, and some of the respondents also serve for the private sector companies. Highest number of respondents draw receive salary on weekly basis.
- ✓ Study reveals that the respondents spouses also depend upon cooli work and draw salary on weekly basis. Some of them depend on agriculture, carpenting and mechanical work.
- ✓ Most of the respondents get additional income from their children. That's out of 29 respondents 25 of them obtain from their children.
- ✓ Highest number of respondents earn within Rs 50000 a year. Only 5 respondents say that their income exceeds Rs 50,000 but falls within 1,00,000 per annum.
- ✓ All the respondents invest in nationalized bank through SHGs. There are few respondents who invest in some cooperative banks and in post office also. Very few invest in gold and chit fund. None invest in chit fund and mutual funds or shares. The investment percentage of the respondents is very low; that's within 10%.
- ✓ Most of the respondents are the members of the SHG from more than 10 years. That's around 44% of the total respondents, next level is of more than 16 years category. Many respondents are holding the position of member only. But a good number of respondents are holding the designation of president.
- ✓ Most of the groups have got a member list of more than 9 but less than 15. Around 25 of them are in the groups of respondents with less number of members in it. It's a good sign that most of the respondents know about SHG bank linkage programme.
- ✓ Majority of the respondents say that investment and savings is one of the important intention of joining this group of SHGs. But there is a next big number of respondents who also feel that availing loan facility is their prime motive of joining SHG.
- ✓ All the respondents are of the opinion that there were positive changes after joining SHG. Highest number of respondents avail loan facility from the SHG.
- ✓ Most of the respondents avail loan for the purpose of house construction and house repair, some of others get the loan for the purpose of their children's education. The purpose of borrowing for marriage and education is also one of the reasons for most of the respondents.

### **SUGGESTIONS:**

1. There is a need to promote the investment habits among the SHG members, since the majority of investment is only through SHG. They say they do not have any other investment other than in the bank.
2. There is a need to promote literacy among the adults as the number of members with SSLC qualification is also very low. Some of them do not know to read or write.
3. They must be encouraged to invest their loans for the productive purposes also like to start their own business. Respondents have borrowed loans for the consumption purposes.
4. There is a lot many things to be done to improvise the standard of living of SHG members, since many are in the below poverty line.
5. Skill development and training for various types of jobs and employment can be given to members as they all depend only on Beedi rolling.

## **CONCLUSION:**

To conclude we can say that, SHGs have contributed for the growth and development of its members, especially in the area of savings and investment habits. Today when the urban sector has grown like anything rural sector and the people in the rural sector are still not grown with respect to literacy, infrastructure. Rural women who most of the times work from home only, do not know anything about the realities and outside world. But SHGs are definitely contributing a lot in this regard. Governmental support will definitely encourage these SHGs to go forward and contribute to the growth of the SHG members. Instead of depending only on beedi rolling for the livelihood, they can be given a training to become the entrepreneurs. SHG promoting institutions can take some steps to do the same.

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