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Self Help Groups and Women Empowerment in Ramanagara District – An Empirical Study

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Abstract: *A group of 4 to 20 members can form a self-help group. They develop a habit of savings. The amount so collected is used for disbursement of loan. Those who do not have formal banking facilities can avail these loans for self-employment and livelihood. The self-help SHG and microfinance is for those who do not have access to formal credit facilities. Self-help groups become the basis for action and change. It also helps building mutual trust between the promoting organization and the poor through constant contact and genuine efforts. Thus Self-help groups disburses small loans to the rural and urban poor for the purpose of making them self-reliant and encouraging them to enter in to income generating activities. Access to microfinance enhances the position of women. Ultimately results in Women Empowerment.*

Keywords: *Self-help groups, Microfinance, Savings, Women Empowerment, Economic Independence, Sustainable Development.*

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I. INTRODUCTION:

The significance of the self-help groups and microfinance in the economic development of a country cannot be ignored. The existing formal and organized banking structure is not adequate to meet the growing demand of credit. Financial inclusion is delivery of financial services more particularly the banking services at an affordable cost to huge sections of disadvantaged, unbanked and low income groups. Financial inclusion aim at drawing the "excluded" population into the formal financial system so that they have the access to financial services ranging from savings, payments, and transfers to credit and insurance. Major commercial banks in India lend money only against collateral. Therefore the poor are excluded from financial services.

Lack of access to financial services such as savings, loans, remittances and insurance services by the vast majority of the population in the rural areas and unorganized sector is believed to be the restraint to the growth in these sectors. Access to reasonable financial services especially credit facilities and insurance improve the livelihood opportunities and empowers the poor to change their lives.

Women Empowerment:

Empowerment of women has turn out to be a subject matter of growing significance around the world in modern times. The concern is seen at different levels and circles which include government, official procedure, non-governmental organization, researchers and women empowerment. Empowerment is a process of improving women's control over resources, principles and self. It is a process of enlarging the entitlements and choices of women. Economic empowerment refers to earning power, collective bargaining for economic gains, control over means of production, involvement in decision-making regarding economic aspects of development of skills in management. It helps to build confidence, self- assertion and courage. Poverty is the primary challenge in India development efforts to bring about a perceptible change in the excellence of life of the people.

In India, vast section of population suffers from undernourishment, unemployment, and poor physical condition. This is mostly true in the case of 4 main weaker sections of society namely, women, children, scheduled castes and scheduled tribes. In rural India, the high rate of illiteracy and low economic position of women trigger the need for increasing their earning

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by providing income-generating assets. Provision of employment opportunity to rural women is one way to improve their nourishment, health, education and social status. In most of the developing countries greater importance is laid on the need for expansion of rural women and their active participation is the main stream of development particularly in income generating activities.

Thus, they need economic power to withstand on equivalence with men. Though, women are found to be less literate than men. According to 2011 census, rate of literacy among men in India is about 76% whereas it is only 58% among women. Thus, education of women is very essential in empowering them. Due to these reasons, they need empowerment of all kinds in order to protect themselves and to lead a life with dignity.

II. HISTORICAL EVOLUTION OF SHGs:

1980 - Myrada, an NGO located in South India, formed around 300 autonomous SHGs known as the Credit Management Groups.

1991 - The National Bank for Agricultural and Rural development (NABARD), found SHG as an interesting and successful strategy to provide banking services to the so called 'un-bankable' people. The SHG-Bank Linkage was started.

1990s and 2000 - Given its success the government had become a key promoter of SHGs. Decentralization of power at the panchayat level in 2000 gave local bodies more teeth and SHGs came to be recognized as a potent institution for the poor.

2018 - The programme had provided credit to 12 crore households, 100 Lakh SHGs with deposits of over Rs. 23,000 crore. Annual loan of more than Rs. 58,000 crore, making it the largest microfinance initiative in the world.

III. OBJECTIVES OF THE STUDY

1) To study the importance of women empowerment.

2) To study the Self Help Groups in Ramanagara District.

3) To present the analysis of SHGs of selected villages of Ramanagara District.

4) To study the level of satisfaction of SHG members.

5) To draw conclusion in selected sample areas.

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IV. SCOPE OF THE STUDY

The present study makes an attempt to assess the motivational factor in getting involved in women in group activities. The study covers opinion towards the process of socio-economic empowerment and the change observed on personal lives of women in Ramanagara District. The study also examines the activities performed by the women in the society. The study covers the Kailancha and Harisandra villages of Ramanagara Taluk of Ramanagara District in Karnataka State.

V. LIMITATIONS OF THE STUDY

1.The study is limited only to Ramanagar District of Karnataka.

2.The questionnaire method of data collection was followed.

The reliability of data depends on responses given by respondents.

3.The time period is the constraint. The time available for research is limited.

4.The sample size is limited only to 200 Respondents only.

VI. RESEARCH METHODOLOGY

Sources:- Ramanagar District – chosen 2 villages: Kailancha, and Harisandra.
Sample size: Total 200 Respondents, 100 Respondents of Kailancha village and 100 Respondents of Harisandra village.

Data collection method: Survey method.
Probability sampling method: Stratified Sampling method is used.
Primary Data collection: through questionnaire and personal interview.
Secondary Data: through Journals, magazines, reports, publications, books, websites, etc.
Likert scaling techniques used to collect the opinion of SHGs memb ers
Data Analysis: the collected data was analyzed by using appropriate statistical techniques like Chi-square and ANOVA test where found appropriate.

VII. Sample Selection

The present study covers the empowerment of women through SHGs in Ramanagara District.

Kailancha village and Harisandra village. The data collected and presented in Table - 3.

Table – 3 Selection of Sample Respondents

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Sl. No.	Villages	Respondents	Percentage
1	Kailancha	100	50
2	Harisandra	100	50
	TOTAL	**200**	**100**

(Source: Primary Data)

VIII. REVIEW OF LITERATURE

In order to create a foundation for the study, to understand the various nuances and dimensions of the topic of study as well as to prepare a proper methodology and framework for the study, elaborate efforts will be made to review the available literature on the topic. It includes both theoretical and empirical studies. It includes self help groups and microfinance in the World, self help groups and microfinance in India and self help groups and Microfinance in Karnataka.

H.A. Manvar, J.B. Kathiriya and D.S. Thakar (2019)[1] The study concluded that self-help groups are useful programs to enhance women's health through increased knowledge and awareness on health issues, and financial security. It is very active in providing income generating activities. Self Help Groups can play a crucial role in creating awareness on health issues through group meetings with women, by holding specific capacity-building trainings with the women on health issues.

2,Anjoo Chauhan (2018)[2] The study shows that access to microfinance has resulted in economic empowerment of women through improvement in their businesses. The study shows that access to microfinance has enhanced the position of women both at the family level and in society as a whole. At the family level, the study reported an improvement in household income and standard of living of the family. The social level, there was a rise in the confidence level of clients, increased degree of socialization and positive outlook in terms of aspiring to leadership positions.

H.R.Uma and K.N.Rupa (2013)[3] The role of SHGs in financial inclusion: A case study. The poor in India do not have access to credit from a formal system. These days self help groups have been considered as cost effective and help the groups in financial inclusion.

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The study concludes that women SHGs help their members to have access to financial services and thereby result in social and economic empowerment.

Parameswaran (2005)[4] studied 347 SHGs formed in Panchayat Level Development Planning (PLDP) in Kerala found out that SHG enables women empowerment, women gained control over their earnings, they got more freedom in domestic decision making, gained confidence, cut down wasteful expense and enjoyed better status in family and social circles. SHG is more beneficial for women.

Kumar (2005)[5] The economic and non-economic impact of microfinance in Haryana and the Study revealed that there is an improvement in knowledge and skills of women. They now fight against social evils like dowry, female infanticide, and alcoholism.

Lalitha and Nagarajun (2004)[6] also studied Self Help Groups in Dindigul, Madurai and Theni Districts in Tamil Nadu and deducted that organization of women in the form of Self Help Groups and microfinance has laid the seeds for economic development and social empowerment of women.

IX. NABARD INITIATIVES

National Bank for Agriculture and Rural Development has taken initiatives from 1991 onwards to promote Self Help Groups in India. The progress of savings linked SHGs with Banks is given below;

Table 1 - Progress of Savings Linked SHGs with Banks in India (2016-17 to 2018-19)

Amount in Rs. Lakh

Sl. No.	Regions	2016-17		2017-18		2018-19	
		No. of SHGs	Savings Amount	No. of SHGs	Savings Amount	No. of SHGs	Savings Amount
A	Northern Region	457199	49676.28	478883	49293.91	548624	62452.82
B	North Eastern Region	452887	22955.70	485591	32207.59	523469	40407.05
C	Eastern Region	1953076	336538.57	2130997	441803.18	2654358	601154.88
D	Central Region	848514	83898.12	902222	95385.11	1062759	133230.00
E	Western Region	1140601	138696.27	1097448	124694.93	1388615	205275.15

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F	Southern Region	3724598	979657.70	3649296	1215826.80	3836418	1289928.25
	Total	**8576875**	**1611422.64**	**8744437**	**1959211.52**	**10014243**	**2332448.15**

(Source: NABARD Microfinance Status 2018-19 Report)

X. RAMANAGARA DISTRICT PROFILE AS PER 2011 CENSUS

Ramanagara District created on	23 August 2007
Total area	3,516 Sq. Km.
Total population as per 2011 census	10,82,636 (1.8% of Karnataka State)
Density of population	308 per Sq. Km.
Sex Ratio	976
Literacy Rate	69.2%
Schedule Caste population	18.8% of district population
Schedule Tribe population	2.1% of district population
Work participation	49.1%
Number of Villages	872 villages
Number of Taluks	4 Taluks - Channapatna, Kanakapura, Magadi and Ramanagara
Number of Self Help Groups and Number of Members as on July 2019	4,938 SHGs 83,778 Members
Famous Tourist Places	Sholay Hills (RamadevaraBetta), SRS Hills, JanapadaLoka, Sangama, Savanadurga Hills, KengalAnjaneya Temple, Pyramid Valley, etc.

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Main occupation	Dairy farming, sericulture, floriculture and animal husbandry

Table -2 Self Help Groups in Ramanagara District as on July 2019

Sl. No.	Taluk Name	Groups formed	Members				
			S.C	S.T	Minority	Others	Total
1	Ramanagara	1184	3847	719	45	16766	21377
2	Channapatna	1512	5241	96	192	18819	24348
3	Magadi	901	2977	531	816	11264	15588
4	Kanakapura	1341	5671	276	405	16113	22465
Total		**4938**	**17736**	**1622**	**1458**	**62962**	**83778**

(Source: Deputy Director, Women and Child Development Department, Ramanagara District).

X1. DATA ANALYSIS AND INTERPRETATION;

Reasons for Joining SHGs It is true that the members have come from varied economic, social and geographic background and members spirit as well as earning spirit. These are at last influenced factors to take up the membership of SHGs. The four major reasons to join in SHGs, namely, for family support, re-payment of debt, for saving and for business. The relevant data collected and tabulated in Table -4.

Table.4 Reasons for Joining SHGs

Sl. No.	Reasons	Villages		Total
		Kailancha	Harisandra	
1	For family support	31	34	65

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		(15%)	(17%)	(32%)
2	Re-payment of debt	28 (14%)	21 (11%)	49 (25%)
3	Savings	17 (9%)	28 (14%)	45 (23%)
4	Business purpose	25 (12%)	16 (8%)	41 (20%)
	Total	100 (50%)	100 (50%)	200 (100%)

(Source: Primary Data)

Above data reveals that the 32% of the members are joined in SHGs because for family support, 25% for re-payment of debt, 23% are for savings and 20% are for business purpose. Therefore, it can be concluded that the majority of the members are joining the SHGs in both the villages for family support. It is also identified that the Kailancha village members are joined in SHGs because of paying debt as compared to Harisandra village and for business also. It is the main reason Kailancha village women empowerment is faster than the Harisandra village.

Table - 5 Type of Family and Major Support to Women

Sl. No.	Type of Family	Major support from				Total
		Husband	Father	Mother	Children	
1	Joint Family	30 (15%)	62 (31%)	46 (23%)	31 (15%)	169 (84%)
2	Nuclear Family	07 (04%)	17 (08%)	05 (03%)	02 (01%)	31 (16%)
	Total	37 (18%)	79 (39%)	51 (27%)	33 (16%)	200 (100%)

(Source: Primary Data)

From the data it shows that the 31% of the members are associated with the joint family and they are supported by father, 23% mother, 15% husband and children are supporting SHGs members. Around 08% of the members regard to nuclear family and they are also supported by father, 04% husband, 03% mother and 01% children are supporting SHGs members. Therefore, it can be concluded that the majority of the joint family and nuclear family members are supported by their father. It also found that the nuclear family members are

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supported by husbands because of the nuclear family he is only the person to support. Further, an attempt is also made to test whether there is any significant difference between type of family and major support taken from whom.

H0: There is no significant difference type of family and major support taken from whom.

Table - 6 Analysis of Variance between Type of family and Support to Women

Test	F-value	P-value	Result
ANOVA Test	0.32892	0.806072	Rejected Ho

The above table 6 shows that the calculated value of ***F (0.32892)*** is less than the critical value ***P (0.806072).*** Thus, the null hypothesis is rejected. Hence, there is significant difference among the respondents belonging to different type of family and major support taken.

A cross analysis is made between Age-wise distribution of the members and their nature of business of SHGs. The relevant data are presented in Table - 7.

Table - 7 Age –Wise Distribution and Nature of Business

Sl. No.	Business	Age-wise Distribution				Total
		Below 25 years	26 to 35 years	36 to 45 years	Above 46 years	
1	Industry	07 (03%)	16 (08%)	08 (04%)	09 (05%)	40 (20%)
2	Artisan	29 (15%)	21 (10%)	18 (09%)	19 (10%)	87 (44%)
3	Saving	12 (06%)	09 (04%)	04 (02%)	08 (04%)	33 (16%)
4	Financial Support	14 (07%)	12 (06%)	10 (05%)	04 (02%)	40 (20%)
	Total	62 (31%)	58 (29%)	40 (20%)	40 (20%)	200 (100%)

(Source: Primary Data)

Therefore, it can be concluded that the majority of the members are associated with the artisan, industry and financial support. It is also found that the between the 26 to 35 years age group members are associated with the commercial/ industry and artisan activities in the study area.

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Further there is need to study the significant relationship between Age-wise distribution of the members and their nature of business carryout in the study area. The following null hypothesis was framed and test with the Chi-square test and the result of test is shown in Table – 8.

H0: There is no significant relationship between the age-wise distribution of members and their nature of business.

Table - 8 Significance of Age –Wise Distribution Vs Nature of Business

Test	Calculated X_2 Value	Table Value	d f	Result
Chi-square	9.557	6.60	9	Rejected (H0)

The above table - 8 shows that the calculated value of *X2* 9.557 is more than the Table value 6.60. Thus, the framed null hypothesis is rejected. Hence, there is significant relationship between the age-wise distribution of members and their nature of business.

Opinion towards the Benefits through SHGs The SHGs are playing an important role in achieving the objectives of women empowerment. Participation of women in SHGs makes a significant impact on social, economic terms and so many. In this background, there is a need to study the opinion towards the various benefits through SHGs. The relevant data collected presented in Table – 9.

Table - 9 Opinions towards the Benefits through SHGs

Sl. No.	Benefits	Strongly Agree	Agree	Neither Agree nor Dis-agree	Dis-agree	Strongly Dis-agree

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1	Improve self confidence of SHGs members	68 (34%)	81 (41%)	14 (07%)	20 (10%)	17 (08%)
2	Use of rural resources and political parties	51 (26%)	75 (36%)	24 (12%)	27 (14%)	23 (12%)
3	Develop the rural economy through SHGs	80 (40%)	56 (28%)	17 (08%)	26 (13%)	21 (11%)
4	Increase income level of SHGs members	82 (41%)	56 (28%)	16 (08%)	27 (14%)	19 (10%)
5	Develop saving habits of SHGs members	55 (27%)	85 (43%)	16 (08%)	23 (12%)	21 (10%)
6	Improve decision making power of SHGs members	55 (27%)	80 (40%)	26 (13%)	23 (12%)	16 (08%)
7	Recognition and involvement of women in family and society	90 (45%)	48 (24%)	17 (08%)	26 (13%)	19 (09%)
8	Increase the ability of women to interact with others	87 (43%)	59 (29%)	16 (08%)	21 (11%)	17 (09%)
9	Develop business or entrepreneur skills	80 (40%)	62 (31%)	22 (11%)	19 (09%)	17 (09%)
10	Improve competitiveness	65 (33%)	77 (38%)	17 (09%)	22 (11%)	19 (09%)

(Source: Primary Data)

From the above data in table it reveals that 41%of members agree with the improvement of self confidence of SHGs members, 36% are agree with the use of rural resources and political parties, 40% are strongly agree with the development of rural economy through SHGs. Around 41% of the members strongly agree with the increase in income level of SHGs members and 43% of the members agree with the development of saving habits. 40% of the members agree with the improve of decision making power of women, 45% are strongly agree with the recognition and involvement of women in family and society, 43% are strongly agree with the increase in the women's ability to interact with others in society, 40% are strongly agree to develop business or entrepreneur skills of SHGs members and 38% are agree with improved competitiveness. Therefore, it can concluded that the majority of the

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members of SHGs strongly agree with the increase in the rural income, development of saving habits, increase the income level of members, recognition of women in family and society and improvement in the ability to interact with others.

XII. FINDINGS

The findings and results of the survey based on the questionnaire among the group members:

1. It is found that the Self Help Group member occupation is less as compared to 37 percent of the members were having no occupation in the pre Self Help Group.
2. The financial status of households had enhanced due to improvement in access to formal credit institutions, since SHGs are linked with banks.
3. Access to credit has enabled women to undertake income generating activities.
4. Majority of the members make savings repeatedly as the norms prescribed by the groups.
5. It is observed that the on the whole i.e. socio-economic conditions of Self Help Groups increased after they have joined the Group.

XIII. CONCLUSION

The present study analyzed the socio-economic development of women SHG members and performance of SHGs in the two villages, viz., Kailancha and Harisandra. The performance of SHG was good It could be inferred that rural people has been very much benefited by SHG. The Self Help Groups have paved the way for economic independence of rural women. Thus, it can be concluded that the self help groups contribute substantially in pushing the state of affairs of the female population, that results in poverty eradication. Self help Groups have been playing significant role in capacity building training of women, economic activities, marketing and technology support, communication level of members, self confidence among the respondents, reduced family violence, frequency of communication with outsiders, change in the saving pattern of SHG members, change in the cumulative saving pattern of SHG members per month, involvement in politics, achieving social harmony, achieving social justice, involvement in community action, sustainable quality and responsibility.

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