



Impact of SHG on Socio-economic Development of Rural Women: A Case of Khowai District of Tripura

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Received: 24 October 2019; Revised accepted: 27 February 2020

ABSTRACT

This study seeks to examine the impact of participation in Self Help Groups on the empowerment of women. While conceptualizing any programme for rural women in the context of the great importance being given to the group approach and also understanding the impact of SHG on socio-economic development of rural women. The study was carried out in Khowai district of Tripura, a north-eastern state of India. The various dimensions like Socio personal characteristics of the respondents, SHG bank linkage, Economic and Social empowerment, Savings and financial decision and Access to credit and employment are studied. Access to credit can help women by enabling them to start and expand small businesses, often accompanied by market access. Besides, involvement in SHGs has enabled women to have a voice in the community affairs and they have been able to tackle problems and have gained power over decision making in the households. Though women hardly involve themselves in politics, their participation in SHGs has altered them to learn actively. Some of the recommendations for a way forward include providing a convergence of inputs, ensuring a proactive involvement of women in the program, changing social norms. Women empowerment is a process in which women challenge the existing norms and cultural, to effectively promote their well-being. The participation of women in self-help group (SHGs) made a significant impact on their empowerment both in social and economic aspects this study addresses women empowerment through self-help groups in Tripura.

Key words: SHG, SHG-Bank linkage, Economic and social empowerment, Savings and financial decision, Credit and employment

SHG is defined as a voluntary group valuing personal interactions and mutual aid as a means of altering or ameliorating the problems perceived as alterable, pressing and personal by most of its participants. These groups are voluntary associations of people formed to attain certain collective goals that could be economic, social or both. The origin of SHGs is from the Grameen Bank of Bangladesh, which was founded by Mohammed Yunus. SHGs were started and formed in 1975. In India NABARD had initiated in 1986-87. But the real effort was taken after 1991-92 from the linkage of SHGs with the banks. A SHG is a small

economically homogeneous affinity group of the rural poor voluntarily coming together to save small amount regularly, which are deposited in a common fund to meet members emergency needs and to provide collateral free loans decided by the group. They have been recognized as useful tool to help the poor and as an alternative mechanism to meet the urgent credit needs of poor through thrift. SHGs enhance the equality of status of women as participants, decision-makers and beneficiaries in the democratic, economic, social and cultural spheres of life. The basic principles of the SHGs are group approach, mutual trust,

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organization of small and manageable groups, group cohesiveness, spirit of thrift, demand based lending, collateral free, women friendly loan, peer group pressure in repayment, skill training capacity building and empowerment (Pandey and Roberts 2014).

Self-Help Group or in-short SHGs is now a well-known concept. It is now almost two decade old. Self-help groups (SHGs) play today a major role in poverty alleviation in rural area. It is reported that the SHGs have a role in hastening country's economic Development. SHGs have now evolved as a movement. Mainly, members of the SHGs are women. Consequently, participation of women in the country's economic development is increasing. They also play an important role in elevating the economic status of their families. Women constitute around fifty percent of the total human resources in our economy. This has led to boost the process of women's Empowerment. Yet women are subservient to men as they are subject to many socio-economic and cultural constraints. The situation is more severe in the rural and backward areas. Women development activities must be given importance to eradicate poverty, increase the economic growth and for better standard of living. The SHG promotes small savings among its members. Self-Help Group (SHG) is a small voluntary association of poor people, preferably from the same socio-economic background. This paper attempts to identity the role of SHGs in providing income and saving to rural poor household in Tamil Nadu (Saravanan 2016).

MATERIALS AND METHODS

The present study was based on primary and secondary data. The primary data was collected through structured questionnaire prepared by using Likert scaling technique to collect the opinion of SHGs members. The sources of secondary data included reference books, journals, periodicals. Primary data was collected from various SHG groups formed under Khowai district of Tripura. 5 most prominent fast growing SHG groups from two different villages namely Ganki and Sonatala consisting 10 group members each were selected purposively for the study. The

collected data was coded, tabulated and analyzed with appropriate statistical tools.

RESULTS AND DISCUSSION

It was found from the (Table 1) that majority (54.00%) of the respondents belonged to middle age group of 31-50 years of age. It was also found that 52.00 per cent of the SHG group members having education upto higher secondary, followed by 36.00 per cent and 6.00 per cent of them having education upto high school level and graduate respectively. Study also mentioned about the mass-media exposure of the SHG group members. It was found 70.00 per cent of them have often exposure to mass- media. Whereas, only 20.00 per cent of them having exposure to mass-media regularly. In the category of social recognition which was tabulated in Table 1 found that majority (78.00%) of the SHG group members is the member of only one group and about 18.00 per cent of them were member of more than one group, whereas few among them (4.00%) is the office bearer of that organization.

Further in the category of land holding size it was found that majority (94.00%) of them having marginal land holdings and only 6.00 per cent of them are in small land holdings category. In the category of farming experience which was tabulated in (Table 1) found that all of them were very young in experience and that of 0-10 years. It was also found that majority (56.00 %) of them belonged to other backward class followed by 34.00 per cent of them belonged to scheduled caste (SC) category, 8.00 per cent of them were general caste and 2.00 per cent of them are scheduled tribe (ST) respectively. Major sources of income of the family were also identified and it was found that 66.00 per cent of their earning source is agriculture + animal husbandry and 34.00 per cent of their earning source is agriculture + animal husbandry + fishery. In the category of training received by the individual SHG group members found that 54.00 per cent of them received 2-5 nos. of training followed by 30.00 per cent and 16.00 per cent of them received 1-2 nos. training and more than 5 nos. of training respectively.

Table 1 Socio personal characteristics of the respondents (N= 50)

Characteristics	Categories	Results (Percent)
Age	Young aged (upto 30 years)	18 (36.00)
	Middle aged (upto 31-50 years)	27 (54.00)
	Old aged (above 50 years)	5 (10.00)
Educational	Illiterate	1 (2.00)
	Upto primary school	2 (4.00)
	Upto high school	18 (36.00)
	Higher Secondary	26 (52.00)
	Graduate	3 (6.00)
	PG and above	0 (0.00)
Mass media exposure	Regularly	10 (20.00)
	Often	35 (70.00)
	Seldom	2 (4.00)
	Never	3 (6.00)
Social recognition	Members of only SHG group	39 (78.00)
	Member of more than one organization	9 (18.00)

Land holding	Office bearer in any organization	2 (4.00)
	Marginal (below 1 ha)	47 (94.00)
	Small (1 or 2 ha)	3 (6.00)
	Big (above 2 ha)	0 (0.00)
Year of experience	Young (0-10 years)	50 (100.00)
	Middle (10-20 years)	0 (0.00)
	Old (more than 20 years)	0 (0.00)
Caste	SC	17 (34.00)
	ST	1 (2.00)
	OBC	28 (56.00)
	GN	4 (8.00)
Yearly income of the family	Upto 60000	31 (62.00)
	60000-100000	17 (34.00)
	100000-150000	2 (4.00)
	More than 1.5 L	0 (0.00)
Major Source of Income	Only Agriculture	0 (0.00)
	Agriculture + Animal Husbandry	33 (66.00)
	Agriculture + Animal Husbandry + Fishery	17 (34.00)
	All Component	0 (0.00)
Training received	1-2 nos	15 (30.00)
	2-5 nos	27 (54.00)
	More then 5	8 (16.00)

SHG bank- linkage

Most of the SHG members (56.00%) have account in Tripura Gramin Bank followed by 22.00 per cent of them have account in Tripura State Co-operative Bank, 12.00 per cent of them have account in State Bank of India, 4.00 per cent of them have account in State Bank of India and only 4.00 per cent of them have account in other banks. It was found that all the SHG members uses their bsnk account only for savings purpose. The monthly average savings by

individual SHG members was found high about 84.00 per cent in the category of savings upto ₹ 2000 per month where as only 16.00 per cent saves about ₹ 2000-5000 per month. It was also found that only 52.00 per cent SHG members took loan from NERLP grant and about 48.00 per cent of the selected respondents don't have any sort of loan. The loan taken from NERLP was paying by monthly installment of ₹ 1000-5000 depending upon the amount of loan has been taken.

Table 2 Self help group (SHG) bank linkage

Characteristics	Categories	Results (Percent)
Name of the bank of which beneficiary have account	Tripura Gramin Bank	28 (56.00)
	Tripura State Co-operative Bank	11 (22.00)
	State Bank of India	6 (12.00)
	State Bank of India	3 (6.00)
	Others	2 (4.00)
Purpose of a/c used	Savings	50 (100.00)
	Others	0 (0.00)
Monthly average amount saved/ Depositing	0-2000	42 (84.00)
	2001-5000	8 (16.00)
	5000-10000	0 (0.00)
	More then 10000	0 (0.00)
Amount of Loan taken	Nil	24 (48.00)
	5000-10000 from NERLP	26 (52.00)
	10000-20000 from NERLP	0 (0.00)
	Above 20000 from NERLP	0 (0.00)
Monthly loan amount repaying	1000-5000	26 (52.00)
	5000-10000	0 (0.00)
	Above 10000	0 (0.00)

Economic and Social empowerment

In the category of economic and social empowerment about 64.00 per cent raised their income upto 20000, 28.00 per cent of them raised their income upto ₹ 20000-40000

and about 8.00 per cent members raised their income above 40000. Following the path it was found that 94.00 per cent of the SHG members strongly agreed that SHG is a profitable organization and remaining 6.00 per cent of them agreed

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that SHG is a profitable. Further majority (86.00%) of them found due to SHG debt was reduced to medium level whereas, 10.00 per cent found low and 4.00 per cent of them found high debt reduction due to SHG. 72.00 per cent of the SHG members found due to SHG social recognition

become good and 28.00 per cent of them found it was very good. Most (84.00%) of the people seeing SHG on a social perspectives is very good which helps to improve quality of life where 52.00 per cent of them agreed with this and remaining 48.00 per cent strongly agreed with this view.

Table 3 Economic and social empowerment

Statements	Categories		
Yearly average income raised to-	Upto 20000	20000-40000	Above 40000
	32 (64.00%)	14(28.00%)	4 (8.00%)
Because of this SHG our family income got-	Raised	as usual	undecided
	50 (100.00%)	0(0.00%)	0(0.00%)
I am seeing this SHG as economically profitable	Strongly Agree	Agree	Undecided
	47 (94.00%)	3 (6.00%)	0(0.00%)
Extent of debt reduced to	High	Medium	Low
	2 (4.00%)	43 (86.00%)	5 (10.00%)
Social recognition become	Very good	Good	Somewhat
	14 (28.00%)	36 (72.00%)	0(0.00%)
People seeing this SHG on social perspective	Very good	Good	As usual
	42 (84.00%)	8 (16.00%)	0(0.00%)
SHG helps to improve quality of life	Strongly Agree	Agree	Undecided
	24 (48.00%)	26 (52.00%)	0(0.00%)

Savings and financial decision

Savings and financial decision related issues of self help groups (SHGs) were incorporated in (Table 4) and it can be concluded from this table that 62.00 per cent of the SHG members agreed because of this self help group (SHG) our saving account become financially stable and remaining 38.00 per cent strongly agreed with that. Majority (82.00%) of the members maintain their savings account by

themselves whereas 18.00 per cent of the members said their accounts are being maintained by the family members (Kanakalatha 2017). All the members said all financial related decisions were made in a group when the monthly meeting was held and these decisions were for short term periods. These decisions were set seeing the benefits of all members which does not create any negative impact on the members.

Table 4 Savings and financial decision

Statements	Categories		
Because of this SHG our saving account become financially stable	Strongly Agree	Agree	Undecided
	19 (38.00%)	31 (62.00%)	0(0.00%)
Savings account was maintain by-	By self	Family members	Others
	41 (82.00%)	9 (18.00%)	0(0.00%)
Financial decision was made by	In-groups	Individually	Any other mode
	50 (100.00%)	0(0.00%)	0(0.00%)
Financial decision was made in	weekly meetings	monthly	Half yearly
	0(0.00%)	50 (100.00%)	0(0.00%)
Financial decision was approved by	President	Governing body	In-groups
	0(0.00%)	0(0.00%)	50 (100.00%)
Financial decisions was for	short time	medium	long time
	50	0(0.00%)	0(0.00%)
Whether financial decisions was for benefiting	Individuals	Few	All
	0 (0.00%)	0 (0.00%)	50 (100.00%)
	39 (78.00%)	11 (22.00%)	0(0.00%)
Financial decisions made by SHG sometimes have negative impact also	Strongly agree	Agree	Un-decided
	0 (0.00%)	0 (0.00%)	0 (100.00%)

Access to credit and employment

It was found from (Table 5) that 96.00 per cent selected SHG members strongly agreed that fund generated by SHG are divided equally and remaining 4.00 per cent members also agreed with this view. Further 100 per cent of them strongly agreed that fund available to self help group (SHG) can be

accessible by all group members and also said that fund available in the SHG account can be given as loan with nominal interest rate. Most of the loan sanctioned by SHGs is for short term period and all of them agreed with this. 76.00 per cent of the selected SHG members found repayment rate is medium whereas, 18.00 per cent of them

found low and 6.00 per cent of them found low repayment rate (Naik and Rodrigues 2017). Further all of them

concluded that employment generation by SHGs are seasonal and rate of employment is low.

Table 5 Access to credit and employment

Statements	Categories		
Fund generated by SHG are divided equally	Strongly Agree 48 (96.00%)	Agree 2 (4.00%)	Undecided 0(0.00%)
Fund available to SHG can be accessible by all group members	Strongly Agree 50 (100.00%)	Agree 0(0.00%)	Undecided 0(0.00%)
Fund generating by SHG are benefiting few individuals	Strongly Agree 0 (0.00%)	Agree 0 (0.00%)	Undecided 50 (100.00%)
Whether loans are providing from SHG account	Yes 50 (100.00%)	No 0(0.00%)	
Loans approved by SHG are for	Short time 50 (100.00%)	Medium 0(0.00%)	Long time 0(0.00%)
Repayment rate is	High 3 (6.00%)	Medium 38 (76.00%)	Low 9 (18.00%)
Whether this SHG is generating employment	Yes 50 (100.00%)	No 0(0.00%)	
Employment generation is	Weekly 0(0.00%)	Monthly 0(0.00%)	Seasonal 50 (100.00%)
Rate of employment is	High 0(0.00%)	Medium 0(0.00%)	Low 50 (100.00%)

Self help groups are small voluntary association of the rural women from the same socio-economic background who work together for the purpose of solving their problems through self help and mutual help. It may be concluded that Self help group plays an important role in women

empowerment. Self help group on social perspectives is very important which helps to improve quality of life by intra and inter loaning and by implementing different central sector scheme through the Self help group members for up liftment of the rural women.

Citation: Das R and Nath D. 2020. Impact of SHG on Socio-economic Development of Rural Women: A Case of Khowai District of Tripura. *Res. Jr. of Agril. Sci.* 11(1): 219-223.

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