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## Women Empowerment through SHGs Production and Marketing Activities: A Case Study of Davangere District

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Like in other states of Indian union, production and marketing is the main activity in Karnataka State also. Production and marketing of farm products and non-farm products largely depend on demand for such products. As a result demand and supply of such products is uncertain and irregular. To solve the production and marketing problems, Government of Karnataka has taken up several measures by providing credit facility at lower interest rates, extended credit linked promotional assistance to agencies dealing with marketing of non-farm products of rural and urban women. In addition to this NABARD has taken up several schemes on initial market survey; feasibility, capacity building, quality control, technology up gradation, advertising/branding/labeling, packaging, participation in exhibitions/sales/fairs, common marketing activities, sales outlets, mobile vans, training programs on marketing, skill development, business promotion, data building/documentation, etc.

The present challenge is to induce self help groups and their members to educate into matured levels of home enterprises, to increase livelihood, diversification of

activities increase their access to the supply chain, linkages to the market, proper production, and processing technologies.

Micro credit has the potential to break up vicious circle of poverty and ensure prosperity, leading to better

SHG play crucial role in rural and urban areas by manufacturing and selling the products. Marketing the products made by SHGs is an important and difficult one as the products have to be sold through the rural marketing concept to the rural people themselves. Marketing these products in the urban areas is much more difficult. The SHG will have to emphasize on the quality and affordable price to enhance the sales. Therefore SHG will have to explore the ways and means of providing products and services that meet the needs of rural consumer and evolve appropriate communication strategy and market promotion. The study was undertaken for the women empowerment through SHGs production and marketing activities in Davangere.

quality of life. There is a lot of scope for strengthening and promoting women enterprises in rural and urban areas for production, processing, and value addition to the products. Micro credit is in greater demand and effective utilization is possible with the support of

production, marketing and technical services of women enterprises.

Empowerment of women in India cannot happen unless they are provided with adequate income generating activities through wage, employment, and self employment. A number of schemes are in progress where women mobilized as viable self help groups utilizing micro credit for income generating activities to support their family income. Empowering women with economically productive work will enhance their contribution to rural and urban development. Rural development has emerged as an aspect of economic policy in the recent past. The women producers are facing the problems of production and marketing of their products. Marketing is one of the significant ingredients for the success of any enterprise. Moreover, women need to be provided loan for opening locally based small and cottage industries.

The problems women face are enormous. The main finance problem is lack. The dual role of a woman is to perform her family duties and her career as entrepreneur. Improper co-ordination and delay in the execution of any activity cause production problems. Heavy competition in the market and their lack of mobility makes them to depend on middlemen. Women entrepreneurs also find it difficult to capture the market and make their products popular.

Home-made products refer to the production of certain locally made

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Table-1 – Educational level of SHGs Members

	No. of Respondents	Percent
Illiterate	44	29.3
Primary	32	21.3
High School	62	41.3
PUC	12	8.0
Total	150	100.0

Table-2 – Reasons for Joining SHGs

Reason	No. of Respondents	Percent
To Improve Savings Habit	65	43.3
To Obtain Credit From SHG	29	19.3
To Improve Economic Condition	38	25.3
For Self Employment	18	12.0
Total	150	100.0

Table-3

Monthly Income (Rs)	No. of Respondents	Percent
0-2500	89	59.3
2500-5000	50	33.3
5000-7500	6	4.0
Above 7500	5	3.3
Total	150	100.0

Table-5 – Type of product which the SHG members are producing

Product	No. of Respondents	Percent
Roti Making	21	14.0
Vermicelli Making	17	11.3
Agarbathi	47	31.3
Papad/Pickles	4	2.7
Masala Powder	3	2.0
Bakery Items	3	2.0
Soap/Detergent	1	0.7
Not Making	54	36.0
Total	150	100.0

Source: Primary Data

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products by the use of locally available resources. This has become one of the important subsidiary occupations in rural and urban economies.

There are three categories of institutions promoting SHGs, the Government, Financial Institutions and NGOs. They provide assistance to SHGs in income generating activities. The review of the trends in lending indicates that during first two years SHG members take a large number of loans for basic needs like clothing, education and health etc. The number of loans increased for trade, cottage industries, animal husbandry and agricultural activities increased in number and size from the third year. When they acquire a degree of self confidence and independent thinking, then they invest in productive purposes.

In Karnataka the SHGs were started in 1985 by Mysara. At present 1.40 lakh groups is function with 23.83 lakh members. At present many men also eager to form SHGs. SHGs are working in democratic manner. The upper limit of members in a group is restricted to 20. Among them a member is selected as an 'animator' and two members are selected as the representatives. The animator is selected for the period of two years. The group members meet every week. They discuss about the group savings, rotation of savings funds, bank loan, repayment of loan, social and community action programmes.

### Functions of SHGs

• Create a common fund by the members through their regular savings.

• Flexible working system and pool the resources in a democratic way.

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Table-4 - Economic activities of the SHG Members:

Activity	No. of Respondents	Percent
Production	65	43.3
Sales (Marketing)	17	11.3
Micro Enterprise Development	8	5.3
Service	60	40.0
Total	150	100.0

Table-5 - Constraints in respect of producing the products

Constraints	Frequency	Percent
Raw materials	63	42.0
Technology	12	8.0
Electricity	4	2.7
No Constraints	71	47.3
Total	150	100.0

Table-7 - Point of Sale of (marketing) products

Point of Sale	No. of Respondents	Percent
Locally	92	61.3
Weekly Markets	53	35.3
Exhibitions	5	3.3
Total	150	100.0

Table-8

The constraints the members face in respect of marketing their product	Frequency	Percent
Transport	30	20.0
Place of Marketing	60	40.0
Competition	12	8.0
No problem	48	32.0
Total	150	100.0

• Periodical meeting. The decision making through group meeting.

• The loan amount is small and reasonable. So that easy to repay in time.

• The rate of interest is affordable, varying group to group and loan to loan. However it is little higher than the banks but lower than the money lenders.

From the previous studies related to SHGs, it is clearly understood that the SHGs are tool to promote rural savings and gainful employment. Through this the rural poverty is reduced considerably. Therefore women members are economically independent and their contribution to household income is also increased. The present study focuses the economic improvement of women after them joining SHGs.

## Objectives

The overall objective of the present study is to analyze the economic empowerment of women through SHGs in the Davangere district of Karnataka. The study aims at assessing, the production and marketing activities of SHGs.

## Methodology

The present study has covered the Davangere district Karnataka. This study is compiled with the help of the primary data covered from 2007-08 to 2009-10. The primary data were collected with the help of specially prepared questionnaire schedule. The schedule included the questions related to the general information about the SHGs members, income, expenditure, savings and loan schemes available to SHGs members. Totally 150 respondents were selected and simple random

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Sale of Product in the local and urban market?

Location	No. of Respondents	Percent
Rural	72	48.0
Urban	78	52.0
Total	150	100.0

Source: Primary Data

sampling method is used. This is purely a descriptive study.

The present study is related to the economic empowerment of women in Davangere district of Karnataka. This deals the economic improvement of women through SHGs. In the study area many SHGs are functioning and samples/respondents were selected randomly for the study.

## Analysis and Interpretation

Some of the products, which are conveniently produced / marketed by SHGs include: Fine based products, like carry bags, hand bags, decoration items etc. Palm leaf products like baskets, leaf mats, Coconut shell products, Toys made of paper, fruits etc. Food items, Pickles, Waters (Appalam), Flour items, Bakery items, Masala Powders, Fried Chips like banana, avalu, Jewellery, Greeting cards from plant materials, Vermicompost, coir pith compost, Detergents, soaps, Phenyl, and Readymade garments. Embroidery products, Cloth items etc.

## Education Level of Members of SHGs: Education Level and socio-economic activities are inter-related.

The young and middle age group people can actively participate in the socio-economic activities. This is true

in the activities of SHGs in the study area. As many as 41% are found to have completed high school; 21% stated to have primary school education and 8% have completed PUC.

## Reasons for Joining SHGs

The major aim of the SHGs is to promote savings and to credit for the productive and consumption purposes. The reason for many people in the study area to join the SHGs was found to be for getting loan and promote their personal savings, in addition to gaining social status Table-2. The predominant group of respondents stated to have joined to improve their savings. 25.3% stated to have joined to improve the economic conditions. 15.3% stated to have joined for getting financial assistance, and other 12% stated to have joined the SHGs to be self employed.

## Income Level of the Members: Income is the major determinant of the standard of living of the people.

The SHGs member income has been increased after joining the SHGs. Hence women members of the groups are independent to meet their personal expenditure, and they contribute more to their household

income. After joining SHGs, members' monthly income increased considerably. This increases the willingness to participate in the SHGs' activities (Table-3). Many women members independently stated to be involved in the economic activities after joining SHGs. Therefore they are now economically independent and contribute to increase their household income.

## Economic activities of the Members: The loans can be used by individual group members for their personal needs, sometime the group may invest on any economic activities. Nowadays many SHGs are

starting small business, cottage industries, food processing units etc. The SHGs in the study area grant the loan to their member for various purposes Table-4 clearly presents the economic activities of selected SHGs members. 43.3 percent of the SHGs members are engaged in production and 40 percent of the SHGs members are involved in service. 11.3% are involved in marketing and 5.3% on micro enterprise development.

## Products produced by the SHG members: After joining the group,

the members are involved in production activities. It is providing the self-employment opportunity for the members. They do get the capital for their small investment purpose and most of them are employed. This is the reason why locally available resources are utilized and the members' family economic condition improved.

Table-5 shows that 31.3% members engaged in manufacturing agricultural, 14% on roll making, and 11.3% on Vermicomposting.

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## Constraints in respect of producing the products

The respondents stated to be facing certain problems with regard to the products produced by them. The majority of the products produced are homemade. 42 percent of the respondents are facing the problem of raw materials (Table-5). As many as 47% stated to have no constraints.

## Marketing of the Products of SHGs

Table-7 shows that 61.3 percent of the products which the SHG members are produced sold at local markets, 35.3 percent commodities are sold at weekly markets and only 3.3 percent goods are sold at exhibitions.

## Constraints in respect of marketing their product

Table-8 shows that 40 percent of the respondents problem is place of marketing and 20 percent are facing with transportation. 32 percent expressed no problem with respect to marketing.

Table-9 shows the product sold in local and urban markets. As many as

52% stated to sell the products in the urban markets. These members prefer urban market, mainly because of certainty of consumers paying immediately.

## Conclusion

Self Help Group (SHG) play crucial role in rural and urban areas by manufacturing and selling the products. Marketing the products made by SHGs is an important and difficult one as the products have to be sold through the rural marketing concept to the rural people themselves. Marketing these products in the urban areas is much more difficult. The SHG will have to emphasize on the quality and affordable price to enhance the sales. Therefore SHG will have to explore the ways and means of providing products and services that meet the needs of rural consumer and evolve appropriate communication strategy and market promotion. The study was undertaken for the women empowerment through SHGs production and marketing activities in Davangere district of Karnataka.

It is found that the income of the women has been increased after joining the SHGs. The good practice of the women SHGs in the study area is repayment of the loan in time. Since the repayment of loan is regular and within the time. It could be concluded that the economic activities of SHGs are quite success. This way SHGs in Davangere district can successfully develop women empowerment in rural areas.

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