

A Study on Micro-Credit Utilisation Pattern by Rural Women Self Help Groups' Members In Madhya Pradesh

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Abstract

Development initiatives by both Government and Non-government organisations popularised SHGs as highly accessible, formal micro-credit source for rural communities in India. Rural women in large numbers are mobilized to SHGs by National Rural Livelihood Mission (NRLM) and huge amount of credit is being disbursed through SHGs. On this backdrop, this study is an effort to understand the micro-credit utilisation pattern by rural women Self Help Groups' members. The study was conducted in Betul District of Madhya Pradesh. The sample of this study consist of 100 women SHG members selected randomly. The data was collected using a structured interview schedule. The findings of the study show that, women SHG members belong to low socio-economic status, and all the women SHG members have approached SHGs at least ones for availing credit for different purposes in their day-to-day life. The result of the study also highlights that, both the 'amount of credit availed' and 'number of times credit availed' are positively correlated ($r_{ps} = +.54$, $r_{ps} = +0.24$) with the 'primary occupation'.

Key Words: SHGs, Micro Credit, Credit Utilisation, Rural credit, Occupation.

1. Introduction

Micro credit - a historical financial innovation- for development of poverty ridden areas originated after the successful implementation of Grameen Bank in Bangladesh by Nobel Prize laureate Muhammed Yunus (1976). The Reserve Bank of India defines Microcredit as a provision of thrift, credit and other financial services and products of very small amounts to the poor in rural, semi-urban and urban areas for enabling them to raise their income levels and improve their living standards. As a popular support, micro credit consists most typically of the provision of small loans, either to individuals or groups from poor communities for income-generating activities and to help them gain partial economic stability without encouraging debt. Thus, micro credit plays a key role in boosting economic growth in any developing country and it also reduces the financial exclusion of the poor. In this study, micro credit is considered as the small loans i.e., less than 25000 rupees yearly, availed through SHGs.

Institutional credit is seen as a preliminary prerequisite for a variety of economic production processes. The villagers need to raise the money for the first round of inputs every year if they want to meet their output and productivity goals. Villagers used to turn to moneylenders and other forms of informal loans to cover these expenses. Rural residents, especially women, faced problems due to the high interest rates and other exploitative practices of these lending providers. The government has launched several initiatives and measures to address this issue.

Regional Rural Banks, cooperatives, National Bank for Agriculture and Rural Development (NABARD) were the initiatives in early 1980s to address the credit demand from rural areas. Simultaneously, for availing micro credits primary institutions like credit management groups and Self-Help Groups (SHGs) were promoted by various Government and Non-Governmental Organisations. These microcredit initiatives evolved as a potent instrument in the development process of the poor. Because Govt policies related to SHGs ensured provision of sufficient and timely credit at reasonable rates of interest to a large segment of the rural population. People used this credit to start or expand businesses that provide revenue and that resulted in reducing poverty.

Self Help Groups (SHGs) are small informal group of 10 to 20 individuals, who are homogenous with respect to social and economic background and come together voluntarily for promoting savings' habit among members and for a common cause to raise and manage resources for the benefit of group members (NABARD, 2018). The SHG model features the defining element of any traditional microfinance model, namely the group lending methodology which establishes joint liability of members. This helped for effective management of credit among rural people and to evolve as a significant structure for financial inclusion at the grassroot. The Government of India integrated SHGs with their development extension programs. National Rural Livelihood Mission (NRLM) is one such mission mode scheme started in 2010. The NRLM seeks to achieve its objective through investing in four core components viz., (a) social mobilization, promotion and strengthening of self-managed and financially sustainable community institutions of the rural poor women (b) financial inclusion (c) sustainable livelihoods, and (d) social inclusion, social development, and access to entitlements through convergence. The NRLM seeks to reach out to around 10 Crore rural poor households in a phased manner by 2022-23 and impact their livelihoods significantly (Ministry of Rural Development [MoRD], 2022). For the implementation of this at the grassroot, the program has key features like, provision of 'Revolving Fund' as a support to SHGs to strengthen their institutional and financial management capacity and build a good credit history. Training and capacity building of the poor, particularly in relation to managing the institutions, livelihoods, credit absorption and creditworthiness. Above mentioned, policy level interventions and national level attention creates facilitative situations for high popularity of SHGs among rural people. Thus, SHGs emerged as a highly acceptable formal credit institution across rural India.

Madhya Pradesh as one of the largest states in India with majority of its population belonging to rural areas and with a history of pioneering in SHG movements was considered for the study.

Occupation has been defined by Kielhofner (1995) as "doing culturally meaningful work, play or daily living tasks in the stream of time and in the contexts of one's physical and social world". India is a country with most of its population residing in rural areas. It is observed that there is a large variation in the occupation of rural and urban populations in India. Although agriculture has traditionally been the primary source of earnings in rural regions, new prospects for occupation in agriculture and related fields are emerging. Expansion of such emerging opportunities of occupations will demand economic investments. Majority of the credit policies neglect the off-farm activities where rural poor are engaged (K.G Karamkar, 1999) and demand credit support for its expansions. Understanding those occupations and its relationship with micro-credits available in the villages is necessary to study empirically to bring the attention of policy makers and development practitioners.

In the context of a village people belong to different Socio-Economic Status based on their occupations, educational qualifications, landholding etc. It is very necessary to understand the Socio-Economic Status of the population we are studying to understand the context of the study. This study is an attempt to address the pre-described needs with the following objectives.

1. To know the socio-economic status (SES) of the SHGs members.
2. To explore different usages of credit availed from SHGs by its members.
3. To find out the relationship between credit received by SHG members with their occupation.

2. Review of Literature

Mahabub Hossain (1988) defined the impact of microfinance on financial outcomes (household income) and non-financial outcomes (food and clothing). In his study he compared the welfare clients of Grameen by eligible non-clients of bank in Grameen villages and in non- Grameen villages and found that the average household income of Grameen bank's clients is 43 percent more than the non-clients in non-Grameen villages and 28 percent more than the eligible non-clients of Grameen villages. Other than these findings, Hossain also found that the per capita income expenditure on food of Grameen members is 8 percent higher than that of non-members of Grameen banks. Other than this, they spend 35 percent more on food and 32 percent more on clothing than non-clients of Grameen banks.

Khandker (2005) also evaluated the impact of microfinance on its outcomes in Sri Lanka and found that every 100 takas increase in the credit of women clients leads to an increase in household expenditure of more than 20 takas. Results also showed that poverty in all villages decreased by 17 percent to 18 percent. Besides, 13 percent declined in non-participating villages.

Seema Tyagi (2015) conducted a study entitled 'Credit Utilization Pattern of Members of Women SHGs and their Involvement in Decision Making in Udaipur, Rajasthan'. This study conducted with 20 SHGs from Udaipur district of Rajasthan, despite of its nature of promotion by different Government and Non-Government agencies, majority of the respondents have availed credit from SHGs. In specific 91.11 percent of respondents

in Government Organisation and 87.77 percent of respondents in Non-Government Organisation have accessed credit. The amount received through these credits have been used for purchasing agricultural inputs, entrepreneurial activities, purchase of household items and animals.

The study highlighted the urgent need to ponder on the aspect of credit used for entrepreneur activities by women so that women participation in productive ventures can be increased to ensure enhanced income in the family. This suggestion was put forward by the researcher by taking reference of the credit availed for the entrepreneurial activities and it is approximately 29-31 percent only.

This study assessed the extent of involvement of members of SHG in decision making regarding credit requirements. The responses were recorded in three categories i.e., ‘to a great extent’, ‘to some extent’ and ‘no involvement’ and accordingly the members were distributed. The study revealed that cent per cent members were involved ‘to a great extent’ in decisions related to credit requirements. The study also highlighted that, when decisions on how to spend ‘her savings are made, women feel more self-assured, assertive and this is considered as an indication of empowerment.

In a study conducted by A Rahman et al. (2017) researchers tried to understand how microcredit has affected rural women in Bangladesh's economy. The researchers conclude that women benefit economically from microcredit since it helps them launch or initiate new enterprises, boosts savings, and raises the standard of living for their families. This study identifies microcredit as a promising strategy for alleviating rural poverty and boosting women's economic participation, as this study shows.

A study titled ‘credit utilisation of SHGs’ written by Deepa K Gopalan et.al (2018) highlights that, all SHGs’ members avails credit through SHG platforms and availed credits are utilizing in productive activating and generating income for their future. This study was conducted in Alapuzha district of Kerala also highlighted the mentions that most of the participants were availed the credit for farming and allied activities.

Poorva Sakergayan (2018) conducted a study of SHG members to understand the impact of self-help groups on various aspects of members’ life. Researchers selected a sample of 600 SHG women from four different districts of Madhya Pradesh through convenience sampling method. Identified samples were interviewed using a questionnaire. The study reveals that regular and immediate financial support received through SHGSs can play an important role for development of socio-economic status of the people, particularly the rural poor. The study concludes that, from the analysis of collected data, members have started regular savings and credit activities only after joining the groups and that have a positive impact on employment creation and even on their asset holding status.

Tanushree Gupta (2022) conducted a study entitled ‘Usage Pattern and Saving Behaviours of Self-Help Groups Bank Linkage Programme: A Study of Rural Uttar Pradesh’. The study tried to address the following questions.

I.Does participation in SHG affect household's dependence on informal credit agencies?

II.Does SHGBLP equally affect SHG members?

III.Does group maturity affect usage pattern?

IV.Does participation in SHGBLP affect income, savings, and expenditure of households?

V.Does participation in SHGBLP affect the decision-making capacity of women regarding utilization of loans?

To evaluate the impact of microcredit on savings behaviour, researchers have applied Average Treatment Effect on Treated Model (ATET) through Propensity Score Matching (PSM) and Principal Component Analysis (PCA). In case of sampling, with a rationale of considering one of the largest and highest poverty affected states Uttar Pradesh was selected. Followed by the selection of state the researcher purposely selected Rajeev Gandhi Mahila Vikas Pariyojana (RGMVP) which is running since 2002 under the Rajeev Gandhi Charitable Trust. This was the best suitable population to include rural and women criteria proposed by the researcher. With consideration of inclusion of high poverty affected districts and districts with high SC population the researcher selected two districts from eastern UP and those are Sultanpur and Faizabad. After the selection of the districts, researchers selected two blocks that are Harringtonganj and Milkipur from Faizabad, and Dhanpatganj and Baldiram from Sultanpur. Then, selected 25 villages based on the concentration of the SHG of RGMVP. 50 SHGs have been chosen from each studied district, and from each SHG, have chosen three members. As a result, the study interviewed 150 member households in each district, and these members are considered as a treatment group. 75 members, who were not availing any services from RGMVP, were selected from each district of the study as a controlled group. A total of 450 households were chosen i.e., 300 households from the treatment group and 150 households from the control group.

In terms of awareness about credit, the study found that there is variation in awareness of SHGs of different age groups and observed a deficiency of awareness about different credit sources. All the participants in the study considered SHG, cooperative banks, and banks as the formal sources of finance. Landlords and money lenders were considered as informal sources for availing credit. Though awareness is very crucial in selection of credit sources the study identifies, close location of the source and easy procedures are the major criteria followed by the participants in this study.

As a finding of the study, the researcher shared that participants are investing 53 percent to 95 percent of their loan amount in income generating activities like, purchase agriculture machinery and other inputs for agriculture, in productive assets, purchase stock, livestock. The investment in non-income generating activities like, education, health, marriage, and festivals were made by the participants.

3. Methodology

SHG promotion was initiated in Madhya Pradesh in early 1990s itself by some non-governmental organisations. In the last ten years there has been a quantum jump in the number of SHGs with support of both Government and non-governmental organisations. As on 31st March 2022, 29.24 lakh women have been mobilised into 2.61

lakh women Self Help Groups (SHGs) under various programmes in Madhya Pradesh. Betul district has 1.24 lakh women mobilized in 10836 SHGs.

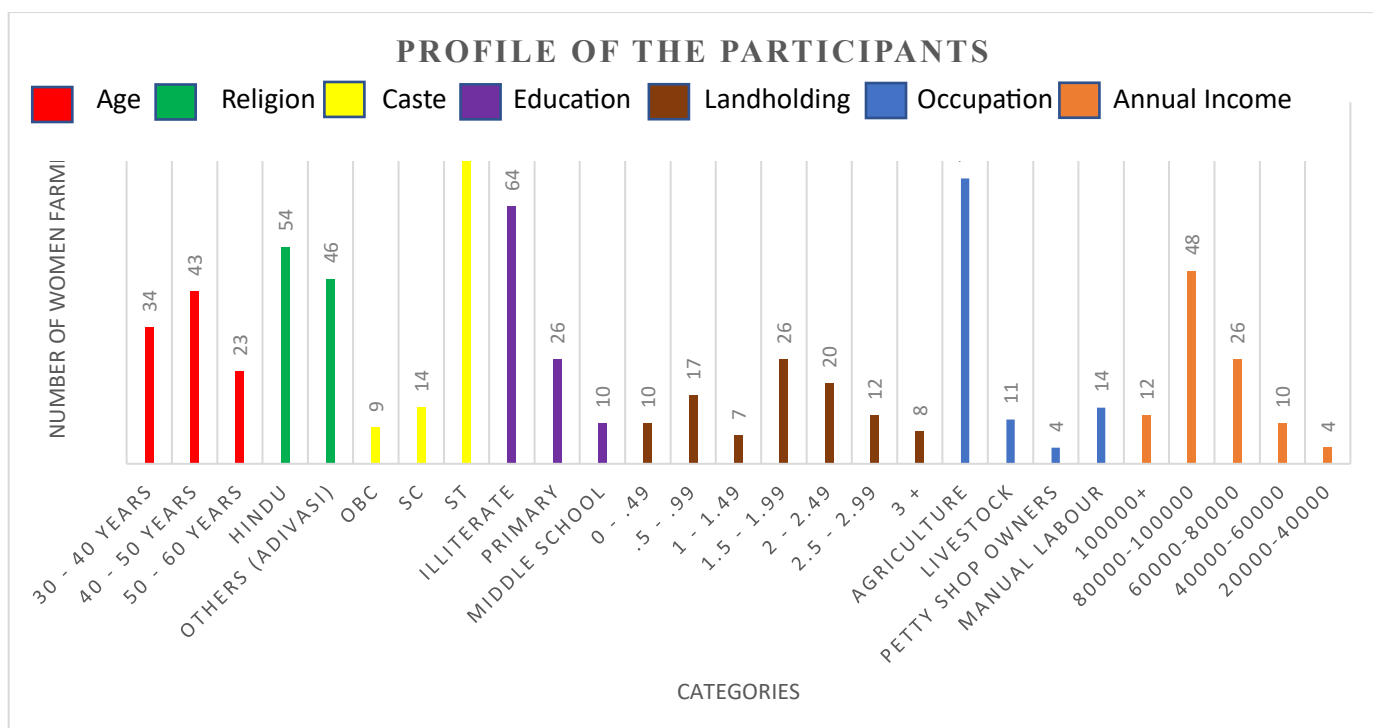
Out of 10 developmental blocks of Betul district four blocks named Betul, Chicholi, Ghoradongri and Shahpur were selected purposely. From each block, all the SHGs functioning for more than five years were identified with the help of NRLM MIS website. Out of these identified SHGs, five SHGs from each block were selected randomly ($5 \times 4 = 20$). Out of these 20 selected SHGs, five members from each SHG were selected randomly. Thus, a total of 100 women SHG members (i.e., $5 \times 20 = 100$) were selected as respondents for the purpose of this study.

3.1 Tools and Techniques of Data Collection

Interview was the principal method of primary data collection in this study. A structured interview schedule was developed into two parts. First part of the interview schedule consists of questions pertaining to the socio-economic status of the respondents. Kappuswamy's Socio-economic scale's latest update (2022) was considered for the same. Second part of the interview schedule consists of questions pertaining to credit availed by the women SHG members for different purposes. The interviews were conducted either at the residence of the respondents, or at the venue of SHG meetings as per the availability of the respondents. Collected data was tabulated into various categories and analysed through quantitative techniques such as frequency, percentage, and point bi-serial correlation.

Research Findings

The collected data reveals the following findings.



Graph 1: Profile of the participants.

4.1.1 Age

The data revealed that 34 percent of women SHG members are in the age group of 30 to 40 years old. 43 percent are in the age group of 40 to 50 years old. Remaining 23 percent are in the age group of 50 to 60 years old.

4.1.2 Religion

The data reveals that 56 percent of the participants belong to Hindu religion and remaining 46 percent are identifying their religion as others (*Adivasi*).

4.1.3 Caste

The data reveals that the majority (77 percent) of the respondents in this study belong to/ from Scheduled Tribe families. In the remaining 23 percent, 14 percent women SHG members are from Scheduled Caste families and 9 percent of women SHG members are from Other Backward Caste (OBC) families.

4.1.4 Education Level

The data shows that, majority of the women SHGs members are illiterate, and they constitute 64 percent. 26 percent of women SHG members had completed their education till primary level and remaining 10 percent of SHG women had completed their education till Middle School level.

4.1.5 Landholding

The data revealed that, 26 percentage of the women SHG members have landholding of 1.5 to 1.99 Acres. 20 percentage of women SHG members have landholding of 2 to 2.49 Acres. 17 percentage of women SHG members have landholding of .5 to .99 Acres. 10 percentage of women SHG members have landholding of .0 to .49 Acres. Another 12 percentage of women SHG members have landholding of .0 to .49 Acres. 8 percentage of women SHG members have landholding of more than 3 Acres. Remaining 7 percent of the women SHG members have landholding of 1 – 1.49 Acres.

4.1.6 Occupation

The data revealed that, the primary occupations of the women SHGs' members are Agriculture, Livestock rearing, Manual labour, and Petty shop owners.

The data further reveals that 71 percent of women SHG members' primary occupation is Agriculture. Under 'Agriculture' as the primary occupation, women SHG members are engaged in crop production activities throughout the year. The farms are either owned by women SHG members themselves or by their dependents such as spouse or father.

Another 11 percent of women SHG members' primary occupation is Livestock. Under 'Livestock' as primary occupation, women SHG members own Goats and Cows as livestock. These women earn income either through selling their livestock or by selling its by-products such as: milk, curd, ghee etc.

Further the data reveals that, 'Manual labour' is the primary occupation for 14 percent of women SHG members. Women SHG members under 'Manual labour' as primary occupation, are engaged in works like MNREGA and agriculture related manual labours in the farms of others.

The remaining 4 percent of women SHG members own petty shops. They earn income by selling groceries and daily necessities within the village premises.

4.1.7 Family Annual Income

The data reveals that 48 percent of the women SHGs members have a family annual income of 80000 – 100000 from all their income generating sources. 26 percent of the women SHGs members have a family annual income of 60000 - 80000 from all their sources. 12 percent of women SHG members could reach a family annual income of more than 1 lakh. In the remaining 14 percent of women SHG members, 10 percent have 40000 – 60000 family annual income and 4 percent have 20000 – 40000 family annual income from all the sources.

Socio-Economic Status (SES) of Women SHG members

Kuppuswamy Scale of SES (2022) scoring was administered on the above-described data. It is found that the majority (90 percent) of the women SHGs members belong to upper lower socio-economic status. Remaining 10 percent of the women SHGs members belong to lower socio-economic status.

4.2 Credit Availed for Different Purposes

The findings of the study revealed that all the participants availed credit at least once in the whole financial year through their respective SHGs. The amount of credit varies from rupees 200 to 20000 depending upon the demands for different purposes. The study revealed that women SHG members have availed the credit for the following ten purposes, namely-

1. Agriculture
2. Weekly Bazar
3. Buy Durables
4. Education of Children
5. House Building and Repairing
6. House Expenses
7. Cultural Functions
8. Medical Treatment
9. Milch Animal

10. Expansion of Petty Shops

Out of these ten purposes, women have availed credit for the purpose of Agriculture 127 times, which is the highest among all purposes. A total sum of rupees 919450 was availed as credit for the purpose of Agriculture. After that, women SHG members have availed credit for the purpose of ‘house expenses’ 56 times. A total sum of rupees 104000 was availed as credit for the purpose of ‘house expenses’. After that, for the purposes of ‘cultural functions’ occasions such as marriage, death ceremonies and other culture related to festivals of their community. For the purposes of ‘cultural functions’, women SHG members have availed credit 36 times through SHGs and a total sum of rupees 330500 have availed for the same. After that, women availed credit 35 times for the purpose of ‘weekly bazaar’. A total sum of rupees 17800 was availed as credit for the purpose of ‘weekly bazaar’. Thenceforth, women availed credit 29 times for the purpose of ‘medical treatment’. A total sum of rupees 65100 was availed as credit for the purpose of ‘medical treatment’. For ‘education of children’ and a total amount of rupees 57700 was availed as credit in 21 times by women SHG members. After that, SHG women availed credit 15 times for the purpose of ‘livestock’. A total sum of rupees 114300 was availed for the purpose of ‘livestock’. After that, women SHG members availed credit 7 times for the purpose of ‘buying durables’ such as silver ornaments and a total sum of rupees 31000 was availed for this purpose. After that, women SHG members availed credit 5 times for the purpose of ‘expanding the petty shops’. A total sum of rupees 80000 was availed as credit for the purpose of expanding the petty shops’. The data further revealed that the least number of times for which credit is availed for any purpose is the purpose of ‘construction and repairing of the house’. Women SHG members availed credit 4 times for the same and a total sum of rupees 68000 was availed as credit for the purpose of ‘construction and repairing of the house’.

4.3 Relationship of credit availed with occupation.

Purposes	Agriculture		Livestock		Petty Shop Owners		Manual Labourers		TOTAL	
	No. of times Credit Availed	Amount	No. of times Credit Availed	Amount	No. of times Credit Availed	Amount	No. of times Credit Availed	Amount	No. of times Credit Availed	Amount
Agriculture	122	898150	0	0	0	0	5	21300	127	919450
Buy Durables	5	27500	0	0	0	0	2	3500	7	31000
Cultural Functions	27	230000	4	40500	0	0	5	30000	36	300500
Education of Children	13	39200	3	7000	1	5000	4	6500	21	57700
Expansion of Petty Shop	0	0	0	0	5	80000	0	0	5	80000

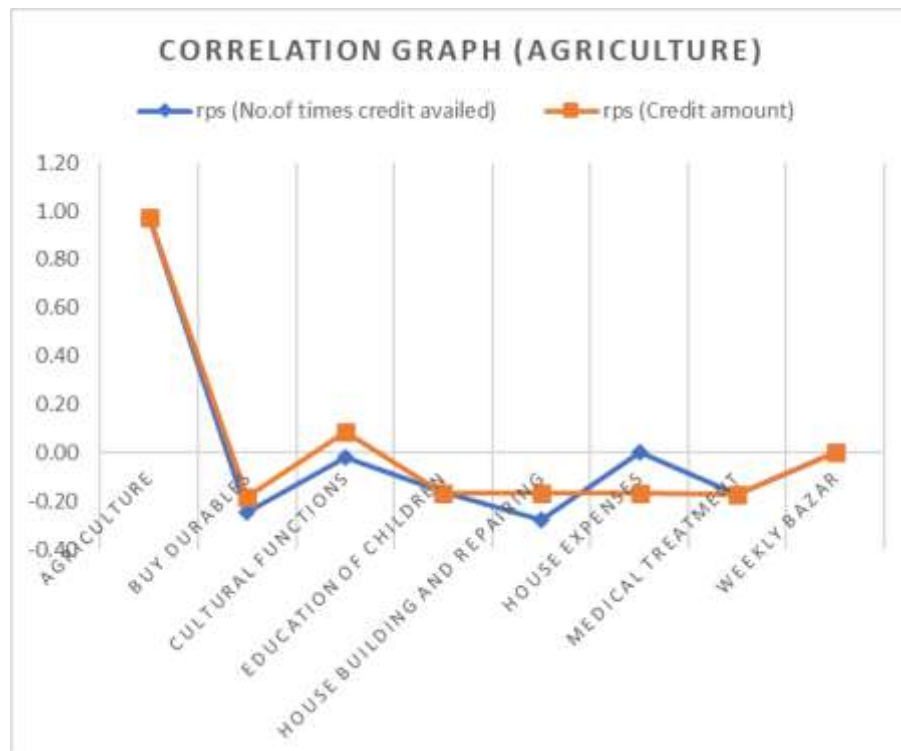
House Building and Repairing	2	38000	2	30000	0	0	0	0	4	68000
House Expenses	29	40600	7	14000	2	6000	18	43400	56	104000
Medical Treatment	12	35000	5	8600	1	4000	11	17500	29	65100
Milch Animal	0	0	15	114300	0	0	0	0	15	114300
Weekly Bazar	20	10600	5	2000	1	500	9	4700	35	17800
TOTAL	230	1319050	41	216400	10	95500	54	126900	335	1757850
Credit availed against Primary Occupation	53%	68%	37%	53%	50%	84%		34%		

Table 3: Purpose, amount and no of times credit availed by women SHG members.

The tabulated data further analysed using statistical calculations. Point bi-serial correlation (r_{ps}) calculated against each ‘purpose’ with ‘the amount of credit availed’. The bi-serial correlation (r_{ps}) calculated against each ‘purpose’ with the ‘number of times credit availed’. The calculations were done for each occupation category (i.e, Agriculture, Livestock, Petty Shop Owners, and Manual Labours) separately.

71 women SHG members, whose primary occupation is Agriculture, have availed a credit of total 1319050 rupees in a total of 230 times. This credit is taken for eight purposes i.e, Agriculture, Buy Durables, Cultural Functions, Education of Children, House Building and Repairing, House Expenses, Medical Treatment, Weekly Bazar. Out of these 8 purposes, the most frequent purpose for which women SHG members have availed credit is ‘purpose of Agriculture’, which is also their primary occupation. Women SHG members have availed a credit of rupees 898150 (i.e, 68 percent of 1319050 rupees) in a total of 122 times (i.e, 53 percent of 230 times).

The point bi-serial correlation coefficients obtained for different ‘purposes’ with ‘amount of credit availed’ and ‘number of times credit availed’ respectively is as follows. Agriculture (+0.97, +0.97), Buy Durables (-0.28, -0.25), Cultural Functions (+0.09, -0.02), Education of Children (-0.17, -0.16), House Building and Repairing (-0.17, -0.28), House Expenses (-0.16, 0.00), Medical Treatment (-0.17, -0.17), Weekly Bazar (0.0, 0.0).

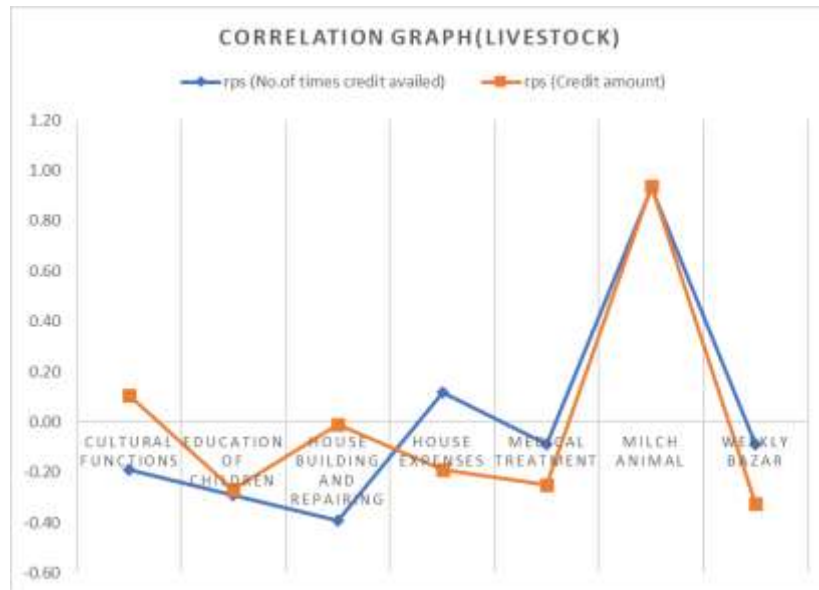


Graph 2: Correlation Graph (Agriculture)

The data reveals that in case of primary occupation, here its agriculture, there is high positive correlation (+0.97, +0.97) in both ‘amount of credit availed’ and the ‘number of times credit availed’. For the purpose ‘cultural functions’ the correlation with ‘amount of credit availed’ is slightly positive. For all other purposes both ‘amount of credit availed’ and the ‘number of times credit availed’ is either in negative correlation or in zero correlation.

11 women SHG members, whose primary occupation is ‘Livestock’, have availed a credit of total 216400 rupees in a total of 41 times. This credit is taken for seven purposes i.e., Milch Animals, Cultural Functions, Education of Children, House Building and Repairing, House Expenses, Medical Treatment, Weekly Bazar. Out of these 7 purposes women SHGs members have availed the credit for the purpose of livestock, which is their primary occupation, 15 times (i.e., 37 percent of 41 times) and the amount availed is 114300 (i.e., 53 percent of 216400).

The point bi-serial correlation coefficients obtained for different ‘purposes’ with ‘amount of credit availed’ and ‘number of times credit availed’ respectively is as follows. Milch Animals (+0.94, +0.93), Cultural Functions (+0.11, -0.9), Education of Children (-0.27, -0.29), House Building and Repairing (-0.01, -0.39), House Expenses (-0.19, +0.12), Medical Treatment (-0.25, -0.09), Weekly Bazar (-0.32, -0.09).

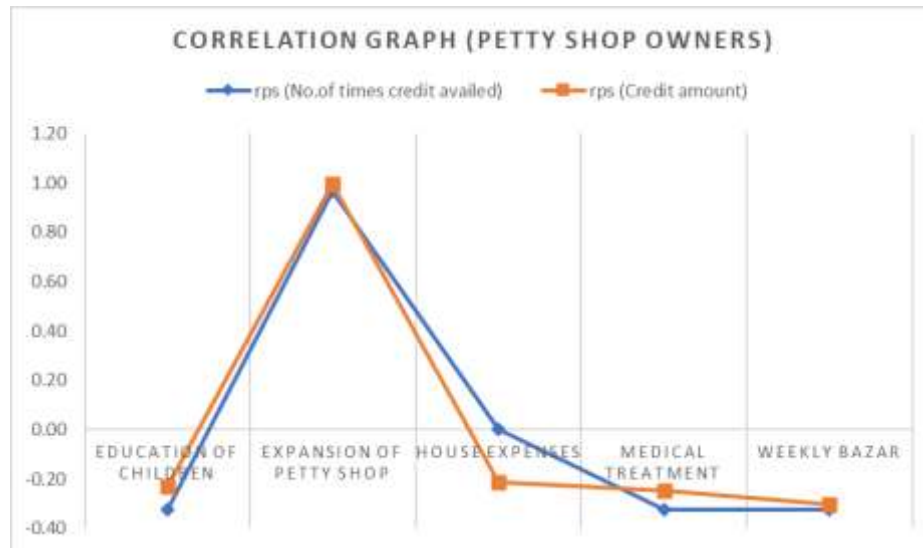


Graph 3: Correlation Graph (Livestock)

The data reveals that in case of primary occupation, here its milch animals (livestock), there is high positive correlation (+0.94, +0.93), in both 'amount of credit availed' and the 'number of times credit availed'. For the purpose 'cultural function' the correlation with 'amount of credit availed' is slightly positive (+0.11). For the purpose 'house expense' the correlation with 'number of times credit availed' is slightly positive (+0.12). For all other purposes both 'amount of credit availed' and the 'number of times credit availed' in negative correlation.

4 women SHG members, whose primary occupation is 'Petty Shops', have availed a credit of total 95500 rupees in a total of 10 times. This credit is taken for 5 different purposes i.e., Expansion of Petty Shop, Education of Children, House Expenses, Medical Treatment, Weekly Bazar. Out of these 5 purposes women SHG members have availed the credit for the purpose of 'Petty shops', which is their primary occupation 5 times (i.e., 50 percentage of the 10 times) and the amount availed is 80000 rupees (i.e., 84 percentage of 95500 Rupees).

The point bi-serial correlation coefficients obtained for different 'purposes' with 'amount of credit availed' and 'number of times credit availed' respectively is as follows. Expansion of Petty Shop (+0.99, +0.97), Education of Children (-0.23, -0.32), House Expenses (-0.21, 0.0), Medical Treatment (-0.25, -0.32), Weekly Bazar (-0.3, -0.32).



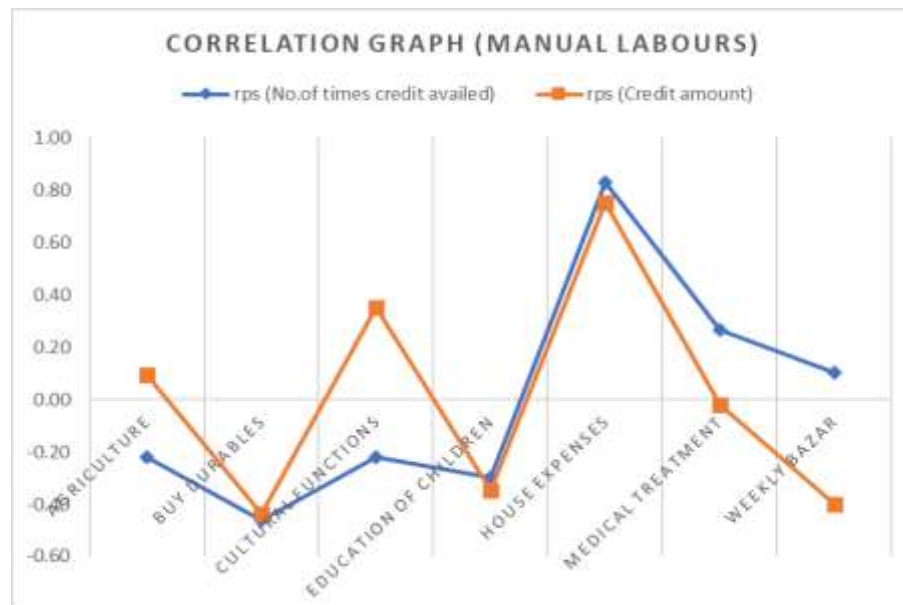
Graph 4: Correlation Graph (Petty Shop Owners)

The data reveals that in case of primary occupation, here it is expansion of petty shops (Petty shop owners), there is high positive correlation (+0.99, +0.99) in both 'amount of credit availed' and the 'number of times credit availed'. For all other purposes both 'amount of credit availed' and the 'number of times credit availed' is either in negative correlation or in zero correlation.

14 women SHG members, whose primary occupation is 'manual labour' have availed a credit of total 126900 rupees in a total of 54 times. This credit is taken for 7 different purposes i.e., Agriculture, Buy Durables, Cultural Functions, Education of Children, House Expenses, Medical Treatment, Weekly Bazar. Out of these 7 purposes the highest number of times (i.e., 18 times with a percentage of 33% of 54 times) credit availed for an amount of rupees 43400 (i.e., 34 percent of rupees 126900) for the purpose of 'house expenses'. Out of these 7 purposes the highest number of times i.e., 18 times credit is availed for the purpose of 'house expenses'. It is 33 percent of the total 54 times credit availed for all 7 purposes with an amount of rupees 43400 (i.e., 34 percent of rupees 126900 availed for these 7 purposes).

The point bi-serial correlation coefficients obtained for different 'purposes' with 'amount of credit availed' and 'number of times credit availed' respectively is as follows.

Agriculture (+0.09, -0.22), Buy Durables (-0.43, -0.46), Cultural Functions (+0.35, -0.22), Education of Children (-0.35, -0.3), House Expenses (+0.75, +0.83), Medical Treatment (-0.02, +0.26), Weekly Bazar (-0.40, +0.10).



Graph 5: Correlation Graph (Manual Labours)

The data revealed that in case of Manual Labourers amount of credit availed and number of times credit availed for house expenses is positively correlated (+0.83, +0.75). The amount credit availed for cultural function is positively correlated (+0.35). The ‘number of times credit availed’ for the purpose ‘medical treatment’ is also positively correlated (+0.26). For the purposes of Weekly Bazar ‘number of times credit availed’ is correlated positively (+.10). In all other ‘purposes’ both the ‘amount of credit availed’ and ‘number of times credit availed’ are negatively correlated.

Further the data was processed to understand the correlation of primary occupation with the ‘amount of credit availed’ and with ‘number of times credit availed’ by considering the total amount of credit availed and total number of times credit availed. For the calculation of point-biserial calculation, cases were primary occupation and purposes related to it were coded as ‘1’ and all other cases were considered as ‘00. The data revealed that, both the ‘amount of credit availed’ and ‘number of times credit availed’ is in positive correlation (+0.55, +0.24) with primary occupation. The data further revealed that, the ‘amount of credit availed’ is in positive correlation (+0.24) with the purpose ‘cultural functions’. The ‘number of times credit availed’ is in positive correlation with the purpose of ‘house expenses’.

5. Conclusion

From the findings derived through analysis of the collected data it concludes that the women SHG members belong to low socio-economic status. They approach SHGs for availing credit for different purposes in their day-to-day life. The major purposes for which women SHG members from Madhya Pradesh have availed credit through SHGs are Agriculture, Weekly Bazar, Buy Durables, Education of Children, House Building and Repairing, House Expenses, Cultural Functions, Medical Treatment, Milch Animals, and expansion of petty shops. All the women SHG members have availed credit at least once in the last financial year through the SHGs. This clearly indicates the accessibility of micro-credit for women SHG members.

Major rural occupations in which women SHG members are engaged are Agriculture, Livestock rearing, Petty Shop owners and manual labour. There is a positive correlation ($r_{ps} = +.54$) of primary occupation with 'amount of credit availed' credit availed. The 'number of times credit availed' is also in positive correlation ($r_{ps} = +0.24$) with primary occupation. This indicates that in most of the cases women SHG members have utilized the credit they availed through SHGs for the purpose of their primary occupation. This shows that women SHG members are utilizing the credit they availed for income generating activities.

The positive correlation in case of 'number of times credit availed' with the purpose of 'house expense' ($r_{ps} = +0.24$) indicates that rural women often approach SHGs for availing credit to meet their 'house expenses'. This reveals the constant demand for money in rural areas and rural women SHG members are meeting this demand through micro-credits from SHGs. The positive correlation obtained for 'amount of credit availed' with the purpose of 'cultural functions' ($r_{ps} = +0.18$) indicates that women SHG members availing credit in high amounts for cultural functions. This highlights the high expenses involved in cultural functions in rural areas. It shows the rural women's dependency on micro-credit from SHGs to meet such expenses.

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