

PERFORMANCE ANALYSIS OF FISHERWOMEN SELF HELP GROUPS

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ABSTRACT

Microcredit for self help groups is fast emerging as a promising tool of promoting income generating enterprises for reaching the 'unreached' for credit delivery in rural areas, particularly the women who are often considered to have very low net worth for availing any credit facilities from the formal financial institutions, the banks. The primary data was collected from 725 fisherwomen representing 41 SHGs in five coastal villages selected randomly from Thoothukudi and Tirunelveli districts. The fisherwomen SHGs were found to have regularly contributed to the savings and had paid the installments towards repayment of loans taken from the group. The repayment rate was exemplary, often exceeding 90-95 %, against which repayment rate of credit advanced for commercial and industrial purposes is not only far way behind but often dismal. Out of the 41 SHGs, 27 SHGs received RFA (i.e. 61 %) from the banks. The study showed that out of 41 SHGs, 25 SHGs fisherwomen SHGs (61 %) received Rs. 1,91,300 and Rs.3,50,000 towards RFA in Thoothukudi and Tirunelveli districts,. Out of 19 fisherwomen SHGs, 17 fisherwomen SHGs (89.5 %) are engaged in economic activities. The study concludes that contrary to the common belief that poor women are not credit worthy, they are far more credit worthy, honest and most importantly 'bankable'. This study showed that the SHGs did play a positive role in helping the fisherfolk in their socio-economic development, emancipation and empowerment.

Keywords: microfinance, fisherwomen, SHGs

INTRODUCTION

Women in India constitute about 50 % of the total population and comprise one third of the labour force. In India, of the total population of 5.4 million active fishers, 3.8 million are fishermen and 1.6 million are fisherwomen. The major activities in which women's contribution can be noticed throughout the country are fish processing and marketing, aquaculture, research, development and education. The involvement of women in these activities generates supplemental income to support

their families. Microcredit for self help groups is fast emerging as a promising tool of promoting income generating enterprises for reaching the 'unreached' for credit delivery in rural areas, particularly the women who are often considered to have very low net worth for availing any credit facilities from the formal financial institutions, the banks. Microcredit is also considered as the vehicle for achieving empowerment of the women, in all spheres viz., social, cultural, political and economic. It is a way of self-sustenance without looking for financial help or subsidy from 'elsewhere'.

MATERIALS AND METHODS

Thoothukudi and Tirunelveli maritime districts were purposively chosen for the present study. Thoothukudi district has 19 fishing villages amongst which three villages namely were randomly selected and the coastal district of Tirunelveli has seven fishing villages out of which two villages was purposively selected for the study.

Required primary data relating to the socioeconomic background, microcredit lending, utilisation and repayment, constraints and social empowerment of the fisherwomen were collected through pre-designed questionnaire from 725 fisherwomen representing 41 SHGs from the selected five coastal villages (Table 1).

RESULTS AND DISCUSSION

(a) Economic Empowerment

Microcredit helps women transform their lives, the lives of their families and that of their communities. Microcredit is about much more than mere access to credit. According to Muhammad Yunus, founder of Grammeen Bank, “*women have plans for themselves, for their children, for their home and the meals. They have a vision. A man wants to enjoy himself*” (<http://www.soc.titech.ac.jp/icm/wind/wind.html>).

In the present study the members of fisherwomen SHGs were found to have regularly contributed to the savings and had paid the instalments towards repayment of loans taken from the group. The repayment records of the members in general were observed to be exemplary. The lending institutions such as banks and other financial institutions have had also confirmed that the repayment record of the SHGs has been almost hundred percent. So, one can conclusively make the observation based on empirical findings that the first step to economic empowerment, i.e. Propensity to save, has been well and truly established.

b) Revolving Fund Assistance (RFA)

Once the savings habit has been regularized for a period of six months, SHGs become eligible for rating. After the process of rating is completed, the SHGs are eligible to receive an amount of Rs.25, 000 /- as Revolving Fund Assistance (RFA) from the banks which is expected to be rotated among the members according to their needs, preferably for individual's income generating activities. A subsidy of Rs.10,000/= is availed for RFA if majority of the SHG members belong to Below Poverty Line (BPL) 'households'.

Out of the 41 SHGs covered in our study, all the SHGs have functioned for a period of more than six months, collected regular monthly savings and became eligible for rating and thereby got credit linked with banks for receiving RFA and Economic Activity (EA) loan. Out of the 41 SHGs, 27 SHGs received RFA (i.e. 61 %) from the banks. The entire 19 sample SHG's in the Thoothukudi district were eligible for RFA. But only 11 SHGs received RFA. In Tirunelveli district, all the 22 SHGs were eligible for RFA, but only 14 SHGs received RFA. The RFA received by the fisherwomen SHGs was Rs 5, 41,300. The study showed that out of 41 SHGs, 25 SHGs fisherwomen SHGs (61 %) received Rs. 1,91,300 and Rs.3,50,000 towards RFA in Thoothukudi and Tirunelveli districts,. There seems to be a considerable time lag between the due date of rating and actual date of rating done by the authorities and also between date of rating and date of credit linkage with banks. These delays affect the growth of the SHGs in earning additional income and hence effective steps need to be taken to reduce the delays.

c) Economic Activity Assistance

For release of Economic Assistance loan (EA), preparation of project reports, proper documentation and follow up action at the bank level are required. The fisherwomen SHG members are engaged in many economic activities. Some of

the SHGs members are likely to take up the economic activities on full time basis and some others are likely to take up them on part time basis (Table 2).

Table 2 shows that in Tharuvaikulam village the sample fisherwomen SHGs received the highest of Economic Activity loan of Rs.62,56,000 followed by Pazhayakayal (Rs.32,55,921) and Therespuram (Rs.3,79,700). The three coastal villages are in Thoothukudi district. In Tirunelveli district, the highest amount of Economic Activity (EA) loan was received in the coastal village of Kootapuli (Rs.37,09,000) followed by Uvari (Rs.15,33,000). About 70.7 % of the SHGs are engaged in various economic activities. By utilizing the EA loan the individual income of the fisherwomen increased. Housing status also improved. The loan was utilized for children education, medical expenses and old debt repayments etc, apart from investment in income generation activities. The amount of Economic Activity loan disbursed by the banks depends upon the activity proposed by the SHG as well as the amount of savings and credit rotated by the SHGs. The sample fisherwomen SHGs received economic activity loan to the tune of Rs.1,51,33,621, overall.

d) Economic Activities

Even though a majority of fisherwomen SHGs got EA loan, all the SHGs have not started the economic activity as proposed by them. The members have shared equally the amount of loan drawn from the banks and spent either on repayment of loans received from money lenders or on starting some petty trade to earn additional income. Since the members are taking efforts to repay the bank loan promptly, the bankers feel secure and are not bothered about the economic activities of the fisherwomen. Thus, banks play an important role in supporting and facilitating economic activity. The NABARD and Lead bank for each district have demarcation of sectors for priority lending. The number of fisherwomen who have actually started economic activity was found to be lower than what

was expected. (Table 3) Table 3 shows that in Thoothukudi district, out of 19 fisherwomen SHGs, 17 fisherwomen SHGs (89.5 %) are engaged in economic activities. In Tirunelveli district, out of 22 SHGs, 12 SHGs (54.4 %) are engaged in economic activities. Overall, 29 SHGs (71%) are engaged in economic activities. The study found significant participation of the fisherwomen SHG members in taking up economic activities. All of the sample fisherwomen SHGs received Economic Activity loan (EA). Some of them received SGSY loan also. They received subsidy for their economic activities as well as in Table 4.

The study concludes that contrary to the common belief that poor women are not credit worthy, they are far more credit worthy, honest and most importantly 'bankable'. This study showed that the SHGs did play a positive role in helping the fisherfolk in their socio-economic development, emancipation and empowerment. It has enabled them to live with self esteem and gain the awareness that everyone has a right to live so. There are some constraints which need to be holistically addressed for the socio-economic development and empowerment of women, including fisherwomen. It has enabled them to live with self esteem and gain the awareness that everyone has a right to live so.

Table 1
Distribution of fisherwomen respondents

Village	District	Total No. of SHGs	Total Members
Tharuvaikulam	Thoothukudi	6	118
Pazhayakayal		8	140
Therespuram		5	92
Sub Total		19	350
Kootapuli	Tirunelveli	15	279
Uvari		7	96
Sub Total		22	375
Grand Total		41	725

Table 2
Economic Activity loan provided to the fisherwomen SHGs

Sl. No.	District	Village	Name of the Bank	Branch	Loan Amount (Rs)
1.	Thoothukudi	Tharuvaikulam	PGB	Tharuvaikulam	62,56,000
		Pazhayakayal	PGB	Pazhayakayal	32,55,921
		Therespuram	PGB	Thoothukudi	3,79,700
Sub Total					98,91,621
2.	Tirunelveli	Kootapuli	PGB	Chettikulam	35,09,000
			IOB	Panagudi	2,00,000
		Uvari	CANARA BANK	Uvari	1,25,000
			PGB	Thisayanvilai	14,08,000
Sub Total					52,42,000
Grand Total					1,51,33,621

Table 3
Fisherwomen SHGs engaged in Economic Activities

District	Village	Number of SHGs	No. of SHGs which Received Economic Activity Loan	No. of SHGs Engaged in Economic Activity
Thoothukudi	Tharuvaikulam	6	6	5
	Pazhayakayal	8	8	8
	Therespuram	5	5	4
	Sub Total	19	19	17
Tirunelveli	Kootapuli	15	15	9
	Uvari	7	7	3
	Sub Total	22	22	12
Grand Total		41	41	29

Table 4
SGSY loan received by the fisherwomen SHGs

S.No.	District	Village	Total No. of SHGs	No. of SHGs Which received SGSY loan	Amount (Rs)
1.	Thoothukudi	Tharuvaikulam	6	2	3,99,000
		Pazhayakayal	8	4	9,77,850
		Therespuram	5	--	--
2.	Tirunelveli	Kootapuli	15	--	--
		Uvari	7	--	--
Sub Total			41	6	13,76,850