

Bank Linked Poultry Entrepreneurship by SHG Members Counting Inflation

M.Haque¹, K.K. Saharia², Jupi Talukdar³ and L.S. Khuman⁴

1, 3 & 4. Ph D Scholar, 2. Professor, Department of Extension Education, College of Veterinary Science, Assam Agricultural University, Khanapara, Guwahati, India

Corresponding author e-mail: mafidul.haque81@gmail.com

ABSTRACT

*The study was conducted in Darrang and Kamrup districts of Assam on 100 SHG members who were engaged in livestock entrepreneurship. For comparison 25 each SHG non-members were also interviewed for the annual income. Majority of the members in both Darrang and Kamrup districts belonged to middle age group (31-43 years), had high school level of education with nuclear family (73 per cent), medium land holding (0.53-0.93 hectare), herd size (2.75-5.33 cattle units), experience in farming (3-6 years), annual income from livestock enterprise (Rs.6,000-17,000) and annual family income (Rs.43,000-70,000). It was found that the SHG members taking loans from banks were having better income (Rs.40,000-1,00,000) in Kamrup district in comparison to income (Rs.40,000-80,000) of SHG members of Darrang district might be due to better marketing opportunities. In further comparison, it was found that the SHG members had at least an average income of Rs.30,000 more than the non SHG members. There was 34.60% of inflation in poultry chicken over five years and difference of income of SHG members from poultry farming at the time of bank loan and after five years was Rs. 2752. In relational analysis poultry farming income of the SHG members was positive and high significantly ($P < 0.01$) related to educational qualification (0.27**), herd size (0.23**) and annual family income (0.32**). The regression analysis of independent variables had encountered for 64.30 per cent of variation in poultry husbandry income of the SHG members.*

Key words: SHG; Inflation; Poultry entrepreneurship; Bank linkage;

Agriculture in rural Assam is signified by many features including the pre-dominance of animal husbandry. There have been many changes in social systems over the few historically reachable past. But animal husbandry had remained as the important contributor culturally, economically, politically, religiously and also educationally- cutting across all institutional benchmarks. The concept of Self-Help Group (SHG) during last two decades has gone a sea change while coordinating with the changing time and prioritizing the hopes and aspirations of unemployed educated youths. As a result the members of SHG are engaged in various income generating activities like poultry, dairy, piggery etc but, in the area of study poultry farming gaining popularity was observed. However, the SHG members have been able to generate income and acquired the habit of saving within a short period of time because of systemic transactions and timely repayment of bank loans. The linkage of SHGs with banks aims at

intermediation of SHGs between banks and the rural poor at times for cutting down the transaction costs for both banks and their rural poor. In Assam, the SHGs have been promoted by the various statutory institutions like Rural Development Department, NABARD, Rashtriya Gramin Vikas Nidhi (RGVN), Bandhan, Asomi including other Micro Finance Institutions (MFIs), including various public and private sector banks and NGOs. These seemed to have reduced the poverty by facilitating increase in income and helped the poor to build assets to ultimately reduce their vulnerability. Therefore the present study was conducted to find out the socio-economic status of SHG members engaged in poultry enterprises after the bank linkage, to ascertain the relationship of poultry farming income gain with their socio-economic characteristics and also to calculate the inflation rate of poultry chicken over five years after bank linkage in Darrang and Kamrup districts of Assam and workout the benefits thereafter.

METHODOLOGY

In April 2012, a comprehensive list of all SHGs engaged in animal husbandry activities each for Darrang and Kamrup districts of Assam was prepared in consultation with the local Block Development Offices and officials from State Veterinary Department. Then the SHGs engaged in poultry farming in particular were identified in some orderly lists. These lists were in turn compared with the records of the concerned local banks of the respective districts. Finally two district-wise lists of SHGs engaged in poultry farming were prepared of those who had bank loans in the year 2007. From each of the lists, 50 SHGs of Darrang district and 50 SHGs of Kamrup district were selected randomly. Only one representative from each of the selected groups was considered as respondent for the present study to make the sample size 100. For further comparison 25 each non-SHG members from both the districts rearing poultry were also interviewed for the annual income. The data were collected on a pre-tested reliable, valid and standard interview schedule. The variables like- age was measured in years, educational qualification with scores (0,1,2,3,4,5 respectively for illiterate, can read and write, primary school, middle school, high school, graduate and above), family size as total number of individuals living within the family, type of family i.e. joint or nuclear, land holding in hectare, herd size in cattle units, experience in farming in years, annual income from animal husbandry, annual family income, income at the time of bank loan from poultry and actual income obtained from poultry farming after five years of bank loan in rupees. As in the area of study most of the SHG members were engaged in poultry farming, therefore, inflation rate was calculated only for poultry chicken. For calculation of inflation rate over 5 years i.e. 2007 to 2012 standard Wholesale Price Index (WPI) value for poultry chicken published by Ministry of Commerce and Industry, Government of India was taken and inflation rate was calculated using standard following formula as per Government of India.

$$\text{Inflation Rate} = \frac{(\text{WPI of end of year i.e. 2012} - \text{WPI of beginning of year i.e. 2007}) / \text{WPI of beginning of year i.e. 2007} \times 100.$$

Further, to find out the present status of income from poultry farming, the income at the of bank loan i.e. in the year 2007 was added with the inflation rate multiplied with the income of the SHG members at the

time of bank loan and difference of their income from poultry farming over five years was worked out by deducting the present status of income from actual income obtained after five years of bank loan.

RESULTS AND DISCUSSION

Table 1 revealed that in both Darrang and Kamrup districts, 60.00 and 58.00 per cent SHG members were of middle age group (ranging from 31-44 years of age) respectively. This might be due to youths trying to get settle through some means of self employment after trying for government jobs and thereby taking up income generating activities at an age after or around marriage, which was most often than not thirty plus. The present finding was in agreement with *Chandrashekar and Lokesh (2009)*. Majority (66.00%) of SHG members in both the districts had education up to high school level. This might be the reason for which they picked up SHG membership and tried to make a livelihood through mutual help. Otherwise in absence of better financial affluence doing something independently and individually had lower chances. This finding was supported by *Pathak (2011)* that high school level of education was the highest qualification achieved by the SHG members. In Darrang district, a good number of SHG members (40.00%) belonged to large family size (≤ 6 members) whereas, in Kamrup district 44.00 per cent of SHG members belonged to medium category (5 members) of family size. This contrast might be a fall out of influence of urbanization in Kamrup district which was more. Similar finding was also reported by *Pathak (2011)* that the average family size among the groups varied from 4 to 6 members. This finding was supported by *Nath (2008)*. Further, in both the districts, 46.00 and 52.00 per cent of SHG members respectively belonged to medium category of land holding (0.53-0.93 hectare). This finding was in expected lines because about 85.00 per cent of the total farmers in the state belonged to marginal to landless categories (*Anonymous 2011*). Almost similar findings were also reported by *Devalatha (2005)*. In Darrang district, 58.00 per cent of SHG members were found to have medium category of herd size (2.92-5.22 cattle units) whereas, in Kamrup district, 64.00 per cent of SHG members had medium herd size (2.57-5.43 cattle units). This might be because of improved and remunerative market opportunities in Kamrup district in comparison to Darrang district. Similar findings were reported by *Jalaluddin (2006)*. The study revealed that

Table 1. Socio-economic status of the bank linked SHG poultry entrepreneurs

Traits	SHGs	Low/ Young	Medium/ Middle	High/ Elder	Mean	S.D	Range	t- value
Age	Darrang (n= 50)	8 (16)	30 (60)	12 (24)	37.38	6.81	28-51	0.227
	Kamrup (n=50)	10 (20)	29 (58)	11 (22)	37.74	7.7	25-52	
	Pooled (n=100)	18 (18)	59 (59)	23 (23)	37.56	7.24	25-52	
Educational Qualification	Darrang	11 (22)	33 (66)	6 (12)	3.9	0.58	3 - 5	0.321
	Kamrup	10 (20)	33 (66)	7 (14)	3.94	0.59	3 - 5	
	Pooled	21 (21)	66 (66)	13 (13)	3.92	0.58	3 - 5	
Family size	Darrang	11 (22)	19 (38)	20 (40)	5.52	1.31	4 - 9	0.479
	Kamrup	11 (22)	22 (44)	17 (34)	5.4	1.18	4 - 9	
	Pooled	22 (22)	41 (41)	37 (37)	5.46	1.21	4 - 9	
Land holding	Darrang	12 (24)	23 (46)	15 (30)	0.712	0.298	0.266 – 1.33	0.373
	Kamrup	13 (26)	26 (52)	11 (22)	0.733	0.297	0.266 – 1.33	
	Pooled	25 (25)	49 (49)	26 (26)	0.722	0.293	0.266 – 1.33	
Herd size	Darrang	9 (18)	29 (58)	12 (24)	4.07	1.16	2.17-6.67	0.285
	Kamrup	11 (22)	32 (64)	7 (14)	4	1.44	1.23-7.35	
	Pooled	20 (20)	61 (61)	19 (19)	4.04	1.3	1.23-7.35	
Experience in farming	Darrang	12 (24)	28 (56)	10 (20)	5.16	1.75	2 - 10	0.206
	Kamrup	5 (10)	35 (70)	10 (20)	5.22	1.49	3 - 9	
	Pooled	17 (17)	63 (63)	20 (20)	5.19	1.62	2 - 10	
Annual income from A.H	Darrang	7 (14)	33 (66)	10 (20)	9544	3814	4000-18000	3.684**
	Kamrup	5 (10)	36 (72)	9 (18)	13380	6388	5000-35000	
	Pooled	12 (12)	69 (69)	19 (19)	11462	5578	4000-35000	
Annual family income	Darrang	9 (18)	33 (66)	8 (16)	52160	10684	40000-80000	3.012**
	Kamrup	4 (8)	36 (72)	10 (20)	60900	16026	40000-100000	
	Pooled	13 (13)	69 (69)	18 (18)	56530	14244	40000-100000	
Annual income of non- SHG members	Darrang	13 (52)	7 (28)	5 (20)	25439	2119	10000-500000	3.85**
	Kamrup	9 (36)	10 (40)	6 (24)	39320	3864	10000-70000	
	Pooled	22 (22)	17 (17)	11 (11)	31320	2462	10000-70000	

** Significant at 0.01 level of probability, figures in parenthesis indicate percentage.

in both Darrang and Kamrup districts, 56.00 and 70.00 per cent of SHG members respectively had medium level (3-6 years) of experience in farming. The experience of above 5 years in farming for SHG members was definitely positive sign indicating persistence and sustainability of animal husbandry farming through SHG and it might be due to the exposure, experience and enthusiasm of SHG members backed by Government provisions. With respect to annual income from animal husbandry in Darrang district, 66.00 per cent of SHG members belonged to medium income group (Rs.6,000-13,000) whereas, in Kamrup district, 72.00 per cent of SHG members belonged to medium income group (Rs.7,000-19,000). The 't' value was found to be highly significant ($t=3.684^{**}$, $P<0.01$). The high income among the members of SHG in Kamrup

district might be due to larger herd size, more experience in farming, better marketing facilities and influence of urbanization as have already been recorded. Similar findings were also reported in the study conducted by State Institute of Rural Development (Anonymous, 2006) and Bielicki and Szklarska (1999). Again in Darrang district, 66.00 per cent of SHG members belonged to medium income group (Rs.42,000-62,000) whereas, in Kamrup district, 72.00 per cent of SHG members belonged to medium income group (Rs.45,000-76,000) as far as annual family income was concerned. The 't' value was found to be highly significant ($t=3.012^{**}$, $P<0.01$). This difference in income level might be due to the fact that in Kamrup district, the places of data collection were more urbanized than Darrang district with respective inflation. In further comparison with the non-

Table 2. Pattern of change of average income of SHG members from poultry farming after five years of bank linkage with inflation rate

Districts	Income at the time of bank loan (Rs)	Inflation rate over five years	Present status of income (Rs)	Actual income obtained after five years of bank loan (in Rs)	Difference of income over five years (Rs)
Darrang	3170	34.60%	4276	6436	2160
Kamrup	5274	34.60%	7098	11034	3936
Pooled	4267	34.60%	5643	8395	2752

SHG members, it was found that the SHG members had at least an average more income of Rs.30,000 than the non-SHG members. The 't' value was found to be highly significant ($t=3.85^{**}$, $P<0.01$). It indicated that bank loans helped in promotion of livestock enterprises and to earn more by the SHG members.

Table 2 showed that after obtaining the bank loan the SHG members could seemingly improve their poultry farming and earning good income through selling egg and live birds. The respondents from both the districts could increase their income from poultry farming for one reason as most of the respondents were women who did not divert the bank loans and undertook poultry farming quite seriously. Similar findings were also revealed by *Antwal et al. (2009)* who reported economic empowerment of the SHG women by taking up dairy enterprise with the help of funding from lead bank.

Table 3: Relational analysis between socio-economic variables and poultry farming income of the SHG members after bank linkage

Variable	Pooled sample
Age	0.13
Educational qualification	0.27**
Family size	-0.05
Land holding	0.15
Herd size	0.23**
Experience in farming	0.09
Annual family income	0.32**

**-significant at 0.01 level of probability

Further, Table 3 showed that poultry farming income of the SHG members was positive and highly significantly ($P<0.01$) related to educational qualification (0.27**), herd size (0.23**) and annual family income (0.32**). It might have been because of higher education, the respondents were at an advantageous position in terms of their communication and approach with the bank officials for getting loans with promptness in service

delivery and maintained a good relation and such situation had helped them to make more progress in poultry husbandry enterprises. *Khuman (2011)* found that educational qualification was positive and highly significantly associated with animal husbandry income. In case of herd size, the SHG members with larger the herd size could earn more income from poultry farming by selling egg and meat. Similar finding was reported by *Khuman (2011)* that herd size had positive and high significant relation to annual income from dairying and similarly poultry farming income of the SHG members was positively and highly significantly related to annual family income.

Table 4. Multiple regression analysis for poultry husbandry income after bank linkage of overall respondents on selected independent variables (n= 100)

Independent variable	'b' value	't' value
Age (X_1)	0.36	0.89
Educational qualification (X_2)	0.68	2.12**
Family size (X_3)	-0.16	-0.42
Land holding (X_4)	0.45	1.13*
Herd size (X_5)	0.53	1.93
Experience in farming (X_6)	0.13	0.06
Annual family income (X_7)	0.73	2.36**

$R^2 = 0.643$, 'F' value for 'R' = 10.39**

**-significant at 0.01 level of probability

*-significant at 0.05 level of probability

Multiple regression analysis for poultry husbandry income of the SHG members after bank linkage on selected variable, Table 4 showed that the value of coefficient of multiple determination was highly significant ($R^2 = 0.643^{**}$, $P<0.01$). All the seven independent variables considered in the analysis had encountered for 64.30 per cent of variation in poultry husbandry income of the SHG members.

CONCLUSION

The study showed that in both Darrang and Kamrup districts, majority of SHG members were able to earn

livelihood and got self employment to a considerable extent by engaging themselves in poultry husbandry activities since the time of bank linkage. Their settlements in farming and relative sustainability were other encouraging features. In addition, urbanization indicated to exert more impact on better income, lesser family size and better education leading to more congenial poultry farming. SHG members had considerably about

Rs. 30,000/- per year more income than the non-SHG members indicating clear influence of grouping together. Continuous support to increase SHG-bank linkages might provide maximum benefits through animal husbandry activities for the betterment of the state in general and the youth in particular.

Paper received on : September 21, 2014

Accepted on : October 22, 2014

REFERENCES

- Anonymous (2006). Annual Report 2005-06- An overview of 2005-06. State Institute of Rural Development, Assam.
- Anonymous (2011). Statistical Handbook of Assam. Government of Assam.
- Antwal, P.N., Bhosale, P.B. and Bellurkar, C.M. (2009). Women in Dairy Management: A case study. *J. Dairying, Food and Home Sciences.*, **28** (1): 12.
- Chandrashekar, H.M. and Lokesh, M.U. (2009). Role of SHG in socio-economic change of vulnerable poor. *International NGO Journal.*, **4** (4): 127-131.
- Devalatha. C.M. (2005). Profile study of women SHGs in Gadag district of north Karnataka. M.Sc. (Agri.) Thesis, University of Agricultural Science, Dharwad.
- Jalaluddin, A. (2006). Annual Report 2005-06 – An overview of 2000- 2006. State Institute of Rural Development, Assam.
- Khuman, L.S. (2011). Communication behaviour related to dairying among tribal and non-tribal dairy farmers in Cachar district of Assam. M.V.Sc. Thesis, Assam Agricultural University, Guwahati, India
- Nath, D. (2008). Role of Self-Help Groups in Piggery Development in the district of undivided Goalpara, Assam. M.V.Sc. Thesis, Assam Agricultural University, Khanapara.
- Pathak, N. (2011). Role of Self Help Group and Joint Liability Group in Dairy Development in Barpeta and Kamrup District of Assam. M.V.Sc. Thesis, Assam Agricultural University, Guwahati, India.

