

## **Income Generation Pattern of Self Help Group (SHG) Members**

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### **ABSTRACT**

*The fulcrum of any micro credit scheme is savings. The SHGs make it mandatory that savings are an inextricable part of their micro credit programme. Each SHG has a unique system of organizing and managing its own finance and operates as an independent unit. The SHG also provides a forum for social interaction, which serves as an alternate social structure for peer level interaction. With this background, the present study was conducted in Aundipatti, Periyakulam and Uthamapalayam blocks of Theni district of Tamil Nadu, covering 220 SHG women. The purpose was to obtain information on the participation of self-help group members in various income generating activities. All the members of SHGs and grass root level workers of NGOs were interviewed through a well-structured interview schedule. The various income generating activities are divided into Agricultural, agricultural allied and non-agricultural enterprises. The study revealed that, most (45.45%) of the SHG members had taken up paddy cultivation as their primary economic activity and less than half of the respondents had dairy (45.45%) as the major agricultural allied enterprise. The major group activities included napkin making (13.63) and curry leaf powder (11.36) preparation.*

In the past decade, the number of women living under poverty has increased disproportionately to the number of men living under poverty. Women contribute two-thirds of world work hours, comprise half of humanity yet she earns only one-third of total income and owns less than one-tenth of the world resources (Anon, 1975). Female poverty is directly related to the absence of economic resources including access to credit, land ownership and inheritance, lack of education and support services, minimal participation in the decision making process; Credit is the most vital element in this combination of factors.

Self-help group concept is not new to India. But various constructive activities that can be undertaken to enhance the economic conditions of concerned members to boost their social status. In recent years, SHGs have become significant institutions for accelerated rural development. This has been particularly so in the case of poor women. The poor women do not have enough capital to take up business enterprise on an individual basis. The group approach makes the available collective wisdom and combined resources for any task. SHG members tend to pursue multiple income-generating activities to sustain their livelihood. Further, attempt has

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been made to analyze the involvement of women in income generating activities in those groups and to identify how the members of SHGs have been financially self-sustainable. The various income generating enterprises are divided into three broad categories: Agricultural, agricultural allied and non-agriculture. With this framework, an attempt has been made to document the participation of women in various entrepreneurial activities.

### **SHGs IN TAMIL NADU**

Multifold activities of SHGs have paved the way for improving village economy. Creating avenues for skill development, including leadership qualities and enabling economic independence are major functions of the "Mahalir Thittam", a project of Tamil Nadu Corporation for Development of Women Ltd., (TNCDW) which aimed at empowerment of women. Tamil Nadu doing well on the SHG front has resulted in the boasting of more than 4.69 lakh of SHGs with a membership of 60.63 lakh women. This includes 4.41 lakh of SHGs directly covered by the Tamil Nadu Corporation for Development of Women Ltd., through the successful fostering of savings habit and promptness in loan repayment. Mahalir Thittam project is implemented in Theni District from the year 1997 with the active participation of NGOs. The review of performance of Mahalir Thittam in Theni district reveals that there has been a commendable growth in respect of number of groups formed and women enrolled. In Theni district, the total numbers of the self-help groups are 10,960 as on 31.3.2010. The

number of women enrolled is 1, 73,080 and the total savings of the SHGs is Rs.5228.05 lakh. Nearly two third (58%) of the SHGs are formed in village panchayats.

### **METHODOLOGY**

The study was conducted in Theni district of Tamil Nadu in view of its spectacular performance in SHG movement as compared to other districts. Moreover, the district has got 'Manimegalai award' in recognition of its achievements on women empowerment front. Three blocks viz., Aundipatti, Periyakulam and Uthamapalayam were selected based on the availability of a number of functional SHGs. From each block, two NGO's were identified which have under their fold more number of SHGs. Two self-help groups in operation for more than two years were selected from the two selected NGOs in each block. In this way, 12 self-help groups were selected for the study. All the members of the selected self-help groups were included in sample. Thus, in all, there were 220 respondents. Data collection was done with the help of a pre-tested, well-structured interview schedule.

### **FINDINGS AND DISCUSSION**

#### **Income from agricultural enterprises**

Table 1 reveals the wide range of agricultural activities undertaken by the SHG members in the study area. A maximum of less than half (45.45%) of the respondents had paddy cultivation as their primary occupation followed by vegetable cultivation engaged by

**Table 1.**  
**Distribution of Respondents according to Income Generated from**  
**Agricultural Sources** (n =220)

Sl.No.	Particulars	No	Percentage
1.	Vegetable Cultivation	75	34.00
2.	Paddy cultivation	100	45.45
3.	Banana cultivation	28	12.72
4.	Coconut cultivation	15	6.81
5.	Sugarcane cultivation	45	20.45
6.	Vermi compost	4	1.81

34.00 per cent of the respondents and 20.45 per cent of SHG members were also involved in sugarcane cultivation.

More than one-tenth (12.72%) of respondents had gone for banana cultivation and meager proportion of respondents (6.81%) had gone for coconut farming and Vermi compost production (1.81%).

The members of SHGs could take up a number of income generating activities due to availability of easy credit and support services provided by their respective SHGs. The most common activity was found to be paddy cultivation which was taken up by half of the respondents. This could be due to of the familiarity of women with these activities complemented by the easily mastered skills and the familiar nature of the jobs involved.

It may be noted that vegetables, paddy and banana cultivation have been resorted to augment sustained income level. Much more efforts are required to improve the performance of other activities like Vermi compost and sale of banana leaf. These could

provide subsidiary income from agriculture. These findings are in similar to the findings of Asokhan (2006).

### **Income from non - agricultural enterprises**

The relevant data were collected on non-agricultural enterprises carried out by the self - help group members as shown in Table 2.

It is quite clear from the table that a number of respondents were engaged in individual enterprises apart from their group based activities. The respondents were found to be involved in tailoring (18.18%), pickles making (15.90%) and an equal numbers of respondents (13.63%) were found to be engaged in toys and terracotta making. With regard to group based activity, napkin preparation (13.63%), curry leaf powder preparation (11.36 %) foot mat preparation (9.09%) and areca plate preparation (8.18%) were the major income generating activities found in the study area.

Most of the SHG women were engaged in

**Table 2.**  
**Distribution of Respondents According to Income Generated**  
**from Non-Agricultural Enterprises (n =220)**

Sl.No.	Particulars	No	%
<b>I Group ventures</b>			
1	Printing and binding	15	6.81
2	Jute bag making	17	7.72
3	Foot mat preparation	20	9.09
4	Korai mat preparation	14	6.36
5	Napkin preparation	30	13.63
6	Stick preparation	17	7.72
7	Areca plate preparation	18	8.18
8	Coir twisting	17	7.72
9	Nutritious powder preparation	16	7.27
10	Curry leaf powder	25	11.36
11	Bio fertilizer	15	6.81
12	Ration shop	16	7.27
<b>II Individual ventures</b>			
1	Tailoring	40	18.18
2	Tea powder preparation	4	1.81
3	Pickle making	35	15.90
4	Toys making	30	13.63
5	Candle making	20	9.09
6	Embroidery work	25	11.36
7	Petty shop	5	2.27
8	Tiffin center	1	0.45
9	Terra cotta	30	13.63
10	Cloth sales	5	2.27
11	Phenyl preparation	15	6.81

\*Multiple responses

traditional occupations, which are suitable to the local conditions and for which raw materials are available within the village itself. Some women had taken up non-conventional activities like pickles making, toys making and the like due to the training and exposure provided by the NGOs as well as the

encouragement from the family members.

As far as the group-based activities are concerned success rate was linked to micro market for tiny or small scale products. It is optional to the members to either engage in group based or individual based activities. However, synergy of the group provided the

stimulus to undertake any venture easily. Focused group discussion with the members revealed that working in groups fulfilled all the requirements of the economic activity i.e. from arrangements of raw materials to the marketing of final product. In order to increase the living standard of the family, they are also engaged in more individual activities. Sustainability of the activities however depends on the resource availability and management skills of the partners rather than group or individual based. The above findings are also in tune with the observations of Asokhan (2006).

## **CONCLUSION**

The members of SHGs could take up a number of income generating activities due to the credit availability and support services provided by their respective SHGs. Activities

undertaken by SHGs had a remarkable influence on the income generated by the group members. The most common activities were found to be raising of paddy nursery and pickle making which was taken up by one-fourth of the respondents. This could be due to familiarity of the women with these activities complemented by the easily mastered skills and remunerative return from the jobs.

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