
A STUDY ON INCOME GENERATION POTENTIAL AND PERFORMANCE OF WOMEN SELF – HELP GROUPS IN T.V.MALAI DISTRICT, TAMIL NADU

Article Particulars

Received: 11.9.2017

Accepted: 4.10.2017

Published: 30.10.2017

Dr.R.DHARMARAJ., M.Com., M.B.A., M.Phil., Ph.D.

Head, PG and Research Department of Commerce
Sri Bharathi Women's Arts and Science College
Kunnathur, Arni, TV Malai District, Tamil Nadu, India

B.DIVYA

M.Phil., Research Scholar, PG and Research Department of Commerce
Sri Bharathi Women's Arts and Science College
Kunnathur, Arni, TV Malai District, Tamil Nadu, India

Abstract

Self-help group is an informal and voluntary of neighborhood people with equal status/mindset, formed for fighting for common causes like poverty, illiteracy, violence and deprivation of basic necessities of life. "Self Help Group is a registered or unregistered group of micro entrepreneurs with a homogenous social and economic background, voluntarily coming together to save small amounts regularly and mutually agreeing to contribute to a common fund to meet their emergency needs on mutual help basis". A number of public and private sector banks have realised the potential of microfinance as a viable business option and have commenced operations already. It is also interesting to note that the SHG is now being recognised as a socially viable unit for implementation of various other programmes, like micro-watersheds. Meeting ends refer to the ability of surviving with the amount available for a particular period, most of in an Indian situation– a month. "India lives in its villages" was the famous quote of Mahatma Gandhi; he has further noted, Thiruvannamalai Millions of Women in our hamlets know what unemployment means. Give them access to economic activities and they will have access to power and self confidence to which they hitherto have been strangers. It was an interesting opportunity to probe into the rural women entrepreneurship. The study has further scope of explore into the growth and performance of the self-help groups.

Keywords: *Self-help group (SHG), Income Generation Potential, Performance, T.V. Malai*

Introduction

Finance is mandatory for livelihood. Finance, realised as wages, donation, fund, loan, revenue, returns on investment and all others have a common factor among them, that is, they need to be generated. The ability to generate income turns out to

be mandatory for all, no matter with gender or with education because it is crucial to face the life in this ever-mounting situation of meeting the ends.

Economic development is the result of contribution on the working population, both male and female in a region. World as a region has almost equal amount of women participating in the economic development. In 1995, the Human Development Report quoted that out of 1.3 billion poor people living in developing countries, 70 percent were women which makes the role of women highly significant in that part of the World. In addition to this, of the World's one billion illiterate, one third is women.

In India, women constitute half of the population; as per 2001 census population of women was 496.4 million amounting to 48 percent of Indian total population. The status of women in India has been critical for quite a long period. Moreover, every year unemployment and poverty are increasing simultaneously, Government alone cannot provide employment opportunity for all. In this context, the role of agencies other than the Government plays a vital role. Therefore, the Government has decided to develop entrepreneurship among women.

Review of Literature

Pitt and Khandkar (1995) have analysed the impact of a group-based lending programme for the poor on household behavior in Bangladesh in their study "Gramma Bank, Bangladesh Rural Advancement Committee RD12". They found that credit has a significant impact on boys' schooling but not on girls' schooling; that credit to women increases woman labour supply; and that credit increases women's non-land assets and it increases expenditure on food and non-food items.

A study by **Puhazendhi, V.** (1995) entitled "Transaction Costs of Lending to the Rural Poor Non-Governmental Organisation and Self-help Groups of the Poor as Intermediaries for Banks in India" was carried out. This study has estimated the average transaction cost of lending for the banks per account at 3.68 per cent of the loan amount, if the loan was given directly to the borrower. The inter-mediation of the NGOs and SHGs helped the banks to reduce this transaction cost to an extent ranging between 21 and 41 per cent.

The study conducted by **Brenda Sinnott** (1996) entitled "The Success or otherwise of Rural Financial Mobilizations in Less Developed Countries: Effectiveness of Savings Clubs, Zimbabwe in addressing the Development Needs of the Poor" established that an effective method of mobilization of savings in rural areas in less developed countries is through small self-sustaining groups based at the grass-root level.

Mehrotra, C.K. (1997) has made a comparative study of the State Bank's performance with self-help groups. In his view, the State Bank of India's financing scheme for self-help groups have been quite encouraging. The branch officials themselves encouraged the poor to form self-help groups in a number of centers.

Karmakar, K.G. (1997) studied the performance of the credit linkage of all the Self-help groups, Non-Governmental Organisations and Banks in Orissa up to March 1995. Eight Non-Governmental Organisations, 11 banks and 14 self-help groups were taken as sample for the study from the entire state in the year 1996.

Raman, N. P.Y. (2000) shared his research experience of the Primary Agricultural Co-operative Society of Kerala with self-help groups. His study showed that though both the groups availed of the loan for the same purpose.

Gurumoorthy, T.R. (2002) studied the micro-credit funding agencies and the amount sanctioned by them. Out of the 27,000 self-help groups in Tamil Nadu, 5,400 were linked with banks and the banks advanced credit to them to the extent of Rs.9 crores. In his view, Self-help groups have the power to create a socio-economic revolution in the rural areas of the country. In his opinion, members of self-help groups must be prepared to undertake entrepreneurial activities at a smaller level with minimum capital requirements.

Gupta and Davalos (1993) in their study "Micro-enterprise Development Project" have attempted to evaluate the impact of micro-enterprise loans on enterprises and poverty alleviation in Jamaica. In this study they have surveyed 25 assisted firms. This study primarily concentrates on economic issues.

Churchill (1995) undertook a study entitled "Get Ahead Foundation Programme" to assess the impact of micro-enterprise credit on small scale enterprises in South Africa with respect to the living conditions of entrepreneurs and their families and on benefits to the next generation.

Nagayya, D. (2000), in his paper "Micro-finance for Self-help Groups", has reviewed the initiatives taken at the national level with a few institutional arrangements to support this programme for alleviation of poverty among the poor, with special focus on women.

Statement of the Problem

The Government of India and various state governments have introduced many programs from time to time for the upliftment of poor unemployed women and under employed rural and urban poor for over five decades. The schemes implemented from time to time hardly have made any dent in the enlistment of the poor from the clutches of poverty. In every society, poverty affects primarily women and children. Hence, programs and schemes are required for the enlistment of poor, especially rural women. The participation of women in economic activities is often considered important for the economic and socio-empowerment of women.

Significance of Study

Women's participation is significant in rural development. In this context, micro finance is recognized and accepted as one of the new development paradigms for

alleviating poverty through socio-economic empowerment of the poor. The operational frame work of income generation, therefore, essentially rests on the premise that formation of a self employment is a viable alternative means alleviating poverty, lack of access to assets or credit acts as a constraint on the existing and potential of income generation of women, the poor are capable of savings despite their poor income level. Therefore, micro-finance could be referred to as a motivational mechanism for providing credit support in small amount and usually linked with small groups along with their complementary support such as training and other related services to the people for enabling them to take up income prevention activities.

Objectives of the Study

The following are the main objectives of the present study:

1. To study growth trends of women self help group in Thiruvannamalai District, TamilNadu.
2. To study the income generating potential of women self help group in Thiruvannamalai District.
3. To analyse the problems faced by the women in income generating activities in Thiruvannamalai District.
4. To analyse the role and Performance of various self help group in Thiruvannamalai District.
5. To study the attitude of the members of women self help group in Study area.

Hypothesis

In order to analyse and interpret the data on the attitude of the women member of SHGs in Thiruvannamalai District over banking service to promote their income generation activity, the researcher has formulated the null hypothesis that the factors which influence the opinion of the women member such as age, marital status, family type, size of the family, literacy level, occupation, income level, no of member in the group, training period, meeting attended and residential status of the respondents and levels of the opinion are independent (that is, there is no relationship between influencing factors and levels of opinions of women member of SHGs in the study area). Then the computed value of the Chi-square is valued at the five per cent level of significance with an appropriate degrees of freedom, thereby to determine the acceptance or otherwise of the hypothesis.

Methodology

The present study is based on both primary data and secondary data. For the collection of primary data, the researcher has used a well-structured interview schedule. The secondary data were collected from various sources namely books,

newspapers, journals, IFAD journals, Annual reports SHG, Thiruvannamalai Project office reports, government library and information centre, various self help group-related web sites and the like.

Sampling Design

A sample design is a definite plan for obtaining a sample from the sampling frame. It refers to the procedure the researcher would adopt in selecting some sampling units from which inferences about the population are drawn. The sampling design is determined before any data are collected. To capture the appropriate solutions to the problems, which are mentioned in the statement of the problem, this researcher has followed the convenience sampling method. From six blocks having 20 groups in each block, 4 members from each group are selected as sample for the presence study totaling a sample size to 120. After the collection of primary data, it was found that 20 members have not responded. Hence, the sample size was fixed as 100.

Geographical Area Coverage

The self-help group operates all over Tamilnadu and also in foreign countries. But the present study is confined to the Thiruvannamalai district, which includes the six blocks of Thiruvannamalai District, namely, three Town Panchayats such as Polur, Kalasapakkam, Chetpet, two Municipalities such as Arni, Cheyyar, and Thiruvannamalai Town are considered for the present study area.

Period of Study

The data for this study have been collected from both primary data and secondary data. The researcher has chosen the period of One Year from August 2016 to August 2017 for the primary data collection.

Framework of Analysis

In order to analyses the primary data collected from the sample respondents, the tools of analysis like percentages, Charts, Likert's Scaling Technique have been employed in this study.

Limitations of the Study

Every research study has its own limitation. The present study is also subject to limitations. The data collected from the respondents are based on the recall method and therefore subject to normal recall error.

The present study covers only such SHG's, which are registered under through NGOs. Since most of groups do not maintain proper records, care has been taken to see that the data collected are not biased as far as possible. The outcome of the study may not be applicable to SHG functioning elsewhere in the state in view of different socio economic conditions prevailing different parts of the State.

Findings

Promotion of women members under SHGs is concerned as a means of poverty alleviation and improvement of rural population. The formation of women SHGs was a turning point in the concept and practice of women's development in Thiruvannamalai District. Since 1983 the scheme has been functioning successfully for more than two decade.

- 40% of the respondents were under the age group of 30-39 years.
- 88% of the respondents were having kids.
- 44% of the respondents were belonging to Indira self-help group.
- 44% of the respondents had completed secondary education.
- 44% of the respondents had 5 years of experience.
- 44% of the respondents had joined the SHG in the year 2007.
- 80% of the respondents felt there was an improvement in their financial status.
- 44% of the respondents availed a loan of Rs.8,000.
- 52% of the respondents agreed that there was EDP conducted.
- 48% of the respondents used their loans to make hand work.
- 44% of the respondents saved Rs.2,00,000 of the money.
- 44% of the respondents had to repay Rs.7,000.
- 44% of the respondents answered that they attended 48 meetings of SHG.
- 52% of the respondents agree that the family was a barrier to women entrepreneurship.
- 44% of the respondents replied that an inadequate financial resource was a barrier to women entrepreneurship.
- 56% of the respondents felt that lack of proper knowledge and how bargaining skills was barrier to women entrepreneurship.
- 44% of the respondents agree and the same number of them partially agreed that hesitant to take risk affect decision making.
- 44% of the respondents agreed that lack of financial independence was barrier.
- 44% of the respondents agreed that they suggested others to join, 44% of them partially agreed to it.
- 64% of the respondents had membership in more than one SHG.
- 52% of the respondents felt there was an increase in their confidence level.
- 52% of the respondents had cooperation of family members.
- 56% of the respondents had seen improved importance in family.

Suggestions

It exhibits that the order of merit of the NGO's not affiliated to are

- To help the members to get raw material,
- To eradicate the marketing problems,
- To promote members on advertising,

- Assist SHGs in applying for and obtaining external credit,
- Motivate SHGs prompt repayment of all credit, internal and external,
- To facilitate and solve problems in income Generation Programmes of SHGs,
- Correcting the capital shortage,
- Motivate members for regular savings,
- Train SHGs in proper bookkeeping,
- Assist SHGs in opening of bank accounts,

Conclusion

It was an interesting opportunity to probe into the rural women entrepreneurship. The study has further scope of explore into the growth and performance of the self-help groups.

Availment of higher amount of loans and better training on the part of the government may help further growth in the self-help group. It was concluded that the women power had attained the great way to success through the self -help group.

The self-help group model has been identified as a potential pathway to alleviating poverty. Worldwide, self-help groups are becoming increasingly popular. They are effective in providing mutual support and are good resources for finding needed information.

The knowledge base of self-help mutual support groups is experiential, indigenous, and rooted in the wisdom that comes from struggling with problems in concrete, shared ways. Self-help groups build on the strengths of their members.

References

Books

1. Adams, D and Von Pischke, JD, Micro enterprise Credit Programmes; Deja ve Word Development m 1992.
2. Batiawala Srillatha, Women entrepreneurs in south Asia New Delhi, Max Mullar Bhagan 1994,
3. Desai Bhupat M, and NV.Namboodiri, Organisation and management of Rural Financial Sector-Text cases exercise, New Delhi Oxford and IBH publishing company pvt ltd 2001.
4. Dhameja, S K, Women entrepreneurs; opportunities, performance and problems, New Delhi. Deep and Deep publishers, 2002.
5. Haji Dr. M.Sheik Mohammed and Arun prakesh. N-Impact of micro credit on rural women. Rural entrepreneurship, New Delhi, Discovery publishing house-2004,

Articles

1. Abdul Raheem, (2005). "Women's Self Help for Alleviating Poverty Kisan World, July, p 37.
2. Ahammed Ma, Women empowerment through shg's kurushethraval 48 No.2 1999
3. Banumathy, S. (2005), Self Help Groups and Bank Linkages, Kisan World, Vol.32, No.11 p.19.
4. Barbara and Mahantha –Micro finances through shg's and its impacts-A case study of Rastriya gramin vikas nidhi credit and savings programme in Assam. Proceedings of the 61st annual conference of Indian society of Agri. Economics Dec 27-29, 2001.
5. Chocklingam.SM &Thirumaran.S, "Canalising Bank Credit of SHGs" Industrial Herald, September, 2006, p 19-20.
6. Dwaraki R Narayanaswami N and Remash N, towards creating a participatory self help credit co-operative, Rediscovering co-operation IRMA publication, 2, 1996.
7. Dr Krishnamurthy S Sustainability of Self Help Groups –An Analysis Rural entrepreneurship, Discovery publishing house p 119 2004.
8. Hunter D Bailey A and Taylor B, Zen of groups – Hand book for people meeting with a purpose, Gower Publishing, England, 1992 p.196.
9. Gangrade KD NGO's today a case study Social Welfare April, 1997 pp 36-38.
Jerinabi. V. (2003) "A study on Micro Credit Management Women Self Help Group". Ph.D., Thesis, Bharathiar University Coimbatore.

Websites

1. www.tamilnaduwomen.org
2. www.shg.india.net
3. www.tiruvannamalai.tn.nic.in