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## Economic activities undertaken, constraints and suggestions expressed by self help group members of Shivamogga district, Karnataka

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### Abstract

The study was conducted to ascertain various economic activities carried out by Self Help Group members, to identify the various constraints faced by them and suggestions to overcome the problems. The study was carried out in Shivamogga district of Karnataka with the sample size of 150 respondents from 30 SHGs. The primary data was collected with structured interview schedule. The results regarding economic activities undertaken by SHG members revealed that a considerable percentage of SHG members undertake tailoring activities (31.33%), followed by kitchen gardening (28.00%), dairy (16.67%), sheep and goat rearing (14.67%), agriculture activities (13.33%), roti making (12.00%), poultry (5.33%), vegetable vending (4.00%), grocery shop (3.33%), bangle selling (2.67%) and kasuti, painting and embroidery (2.67%). The major constraint expressed by members were lack of technical guidance (24.00%), lack of training and skill development facility (20.00%), high rate of interest for loans (18.67%), marketing problems for the products (14.67%). Majority of the respondents (66.00%) suggested that training programmes should be conducted based on their needs followed by 53.33 percent members suggested to increase the loan and subsidy amount, repayment period need to be extended (51.33%), interest rate should be minimized (42.00%), unity should be maintained (10.00%), regular follow up of SHGs should be carried out (8.00%) and avoidance of membership to multiple SHGs (8.00%).

**Keywords:** SHG, economic activities, constraints and suggestions

### Introduction

Women constitute not only half of the world population but also sway the growth of the remaining half. They produce half the world's food supply and account for 60 percent of the working force but comprise only about 30 percent of the official labour force, receive benefits of only 10 percent of the world's economy and surprisingly own less than 1 percent of the world's real estate. They have little access to productive resources and negligible control over income.

The Government of India and State authorities alike have increasingly realized the importance of devoting attention to the economic betterment and development of rural women in India. The Indian constitution guarantees that there shall be no discrimination on the grounds of gender. In reality, however, rural women have harder lives and are often discriminated with regard to land and property rights and in access to medical facilities and rural finance. Their nutritional status and literacy rates are lower than those of men.

Key instruments for supporting women's empowerment are self-help groups. SHGs are generally facilitated by NGOs and increasingly advice and train members in a variety of on-farm and off-farm income generating activities. Apart from weak market linkages in the context of income generating activities, there are also a few other concerns in relation to women's empowerment.

Income generation activities are important to strengthen the self-help groups apart from savings and loan lending activities. The activities include group activities as well as individual activities taken by group members. Numerous self-help groups are promoted by Non-government organizations, development departments and banks, the groups were facing certain problems. With this background the study was conducted the following objectives.

1. To ascertain various Economic activities undertaken by SHG members
2. To identify constraints faced by SHG members and suggestions to overcome the problems

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## Methodology

The present study was conducted in the Shivamogga district of Karnataka state and Ex- post facto research design was employed in the study as events were already occurred and researcher has no control over variables (Kerlinger 1964) [1]. Out of 30 districts in Karnataka, Shivamogga district was purposively selected as it is one of the front running district in the SHG programme in Karnataka. The major NGOs namely Shri Kshetra Dharmsthal Rural Development Project (SKDRDP), Chaitanya Rural Development Society and Shivamogga Multipurpose Social Service Society (SMSSS) are actively involved in promotion of SHGs. Due to this a large number of SHGs are efficiently functioning in this district.

All the members of SHGs of Shivamogga district will form the population for the study. The list of women SHG members from each village were obtained from the concerned taluk panchayath office. From the list, four villages each from all the seven Taluks of Shivamogga district. From the list, five villages from two Taluk and four villages from remaining Taluks were selected. Totally thirty SHGs from 28 villages from 7 talukas of Shivamogga district were purposively selected. From each of 30 SHGs, five respondents were selected on the basis of their availability at the time of interview. Another criteria for selection of SHGs was the SHGs should have completed minimum three years of functioning. Thus, a total of 150 members constitute sample for the study. The data was collected using structured interview schedule by personnel interview method. Statistical tools like percentage and frequency were used.

## Results and Discussion

It is clear from Table 1 that among respondents, major economic activities undertaken were tailoring (31.33%), roti making (12.00%) and kasuti, painting and embroidery (2.67%). This might be due to their personal interest, to reduce the dependence on their husbands and to earn money in their leisure time at home. These activities are also best suited for women members.

The economic activities namely, dairy (16.67%), sheep and goat rearing (14.67%), agriculture activities (13.33%), poultry (5.33%) and kitchen gardening (28.00%) were practiced by SHG members. The possible reason for taking up various agricultural activities by the women members might be due to agriculture being the inherent occupation of their family. Availability of agricultural land and other resources motivated them to go for agricultural allied activities. The members felt that practicing agriculture and allied activities is much more easier and safer than the non-farm activities. The marketing risk is also very less in case of agriculture related activities. The banks are also lending loans with lesser rate of interest for SHGs for promoting income generating activities.

Only few members of the SHGs were involved in activities like vegetable vending (4.00%), grocery shop (3.33%) and bangle selling (2.67%), because of their family occupation

and possession of less or no agricultural land. The similar results were conformity with the results of Rangi *et al* (2002) [3].

**Table 1:** Economic activities undertaken by SHG members

Sl. No.	Economic activities	n = 150	
		Frequency	Percentage
1	Tailoring activities	47	31.33
2	Vegetables vending	6	4.00
3	Grocery shop	5	3.33
4	Sheep and goat rearing	22	14.67
5	Dairy	25	16.67
6	Roti making	18	12.00
7	Poultry	8	5.33
8	Kitchen gardening	42	28.00
9	Bangles selling	4	2.67
10	Kasuti, painting and embroidery	4	2.67
11	Agriculture activities	20	13.33

## Constraints experienced by SHG members

Table 2 depicts the various constraints expressed by SHG members. Inadequate availability of raw materials for IGAs (27.33%) as major constraint expressed by members. This is due to location of SHGs in remote and faraway places from town. Lack of technical guidance (24.00%) and lack of training and skill development facility (20.00%) were the other major problems expressed by the members as the SHG promoting NGOs and institutions concentrate training related to SHG concept and banking aspects rather than technical and skill development programmes.

The problem of high rate of interest for loans was expressed by 18.67 percent of the respondents. In order to enhance the SHGs common fund, the SHGs charge slightly high rate of interest compare to bank interest. Banks are giving loans to SHGs with low rate of interest but the internal lending rate of interest in SHGs is comparatively more.

Marketing problems for the products was expressed by 14.67 percent of the respondents. This is due to the failure of SHG manufactured products in open market with the branded products. Due to the increased standard of living and high purchasing power of consumers leads to less demand on SHG manufactured products. Less scale of production in SHGs leads to high cost per unit of the product. As the SHG products were not practicing advertisement leading to less demand in comparison with branded products.

Duplication of membership (11.33%) is the recent problem encountered in some of the SHGs. This is because of the fact that due to the popularity of SHG concept almost all the NGOs, developmental departments, banks and farm universities also involved in promotion of SHGs. Due to the additional benefit extended by these institutions, some of the members also became members to more than one SHGs which lead to this problem. Similar results were noticed by Patil and Balasubramanya, (2014) [2].

**Table 2:** Constraints experienced by SHG members

Sl. No.	Items	n = 150	
		Frequency	Percentage
1	Inadequate availability of raw materials for IGAs	41	27.33
2	Lack of technical guidance	36	24.00
3	Lack of training and skill development facility	30	20.00
4	High rate of interest for loans	28	18.67
5	Marketing problems for the products	22	14.67
6	Lack of timely availability of loan from the SHG	18	12.00

7	Less repayment period	17	11.33
8	Duplication of membership	17	11.33
9	Insufficient availability of loan	12	08.00
10	Lack of time in participation in SHG due to other house hold activity	5	03.33
11	Dominance in taking decision by some members	5	03.33

### Suggestions offered by the SHG members

Suggestions towards improvement of SHGs were showed in Table 3. Majority of the respondents (66.00%) suggested that training programmes should be conducted based on their needs. The training programmes should be conducted on a timely, seasonally, need and demand based. This helps the members to take up particular income generation activity. As majority of the SHG promoting organizations were concentrating more on financial related training programmes rather than human resource development trainings, hence the suggestion was expressed. More than half (53.33%) of the

members suggested to increase the loan and subsidy amount which will help them in improving the employment opportunities.

Some of the members opined that follow-up activities (8.00%) should be conducted on a regular basis. This will enable them to understand their own progress and can make improvements. Another suggestion was unity should be maintained (10.00%) because SHG is a group's activity if any conflicts between members groups didn't sustainable for long term.

**Table 3:** Suggestions offered by the respondents to strengthen the performance of SHGs

Sl. No.	Suggestions	n = 150	
		Frequency	Percentage
1	Training programmes to be conducted based on needs	99	66.00
2	To increase the loan and subsidy amount	80	53.33
3	Repayment period need to be extended	77	51.33
4	Interest rate should be minimized for loans	63	42.00
5	Unity should be maintained	15	10.00
6	Regular follow up should be carried out	12	8.00
7	Avoidance of membership to multiple SHGs	12	8.00

### Conclusion

Tailoring and kitchen gardening activities were measuredly undertaken by SHG members as these activities can be carried out in their home itself during the leisure time. However orientation on marketing aspects and market linkage may be ensured if the respondents wish to undertake these activities in large scales.

Inadequate availability of raw materials for IGAs and Lack of technical guidance were the major constraints expressed by the respondents. The SHG promoting institutions need to help the group members to identify availability raw materials and provide technical guidance to carry out the activities in the competitive mode. Hence the policy makers need to consider these aspects to while promoting and strengthening of SHGs.

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