

An Analysis On The Contribution Of Self Help Groups In Economic Improvement Of Rural Women With Special Reference To Thiruvarur District, Tamil Nadu

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Abstract

The study focused on rural women empowerment concerns in Tiruvarur district, Tamil Nadu, India, and the article highlights several factual results related to the role of SHGs in empowering rural women in the district. The researcher analyzed the pros and cons of the SHG process and its role in the economic recovery of rural women in several aspects of this research. The researcher conducted the research with the help of primary and secondary data and the researcher used the interview schedule method to bring out the information obtained from the sample respondents.

Keywords: socialism, women empowerment, financial prosperity, poverty line, socio-economic reforms.

Introduction

SHG is a micro-enterprise program that focuses on all areas of self-employment, including organization of rural women into self-help groups and their capacity structure, activity planning, communication make-up, technology, credit and marketing. It emphasizes on activity groups based on people's resources and business acumen as well as market availability.

A self-help group is an informal, self-governing, peer-controlled group of people from similar socioeconomic backgrounds who wish to work together to achieve common goals. Here, poor people voluntarily gather to save whatever money they can from their earnings, agree to contribute to a common fund, and help each other to meet their productive and emergent needs. Lend.SHGs has been able to garner little savings from those who were not expected to have any savings on a weekly or monthly basis. They are able to successfully recycle the resources created among the members to meet the immediate credit demands of the group.

Functions Self-Help Groups:

Initiate and maintain savings within the group: All members must regularly save at least a small amount. These savings allow them to receive future credit for their group.

Lending loans to the members: The savings made by the SHGs should be used for providing loans to the members of the group. Everything related to debt should be settled within the group.

Solving common problems: SHGs mostly consist of individuals who face similar problems. The group must essentially help the individual to overcome and overcome these problems through discussion and interaction within the group and to find a common and joint solution to the problems.

Bank loans: SHGs should work on getting a collective guarantee system so that they can get loans from official sources.

Advantages of SHG

- An economically poor individual gains strength as part of a group.
- Besides, financing through SHGs transaction costs for both lenders and borrowers.
- While lenders have to handle only a triple SHG account instead of a large number of small-sized individual accounts, borrowers as part of an SHG minimize or travel (to and from the branch and other places) for completing paperwork and on the loss of workdays in canvassing for loans.
- Where successful, SHGs have significantly empowered poor people, especially women, in rural areas.
- SHGs have helped immensely in reducing the impact of informal lenders in rural areas.

- Many big corporate houses also promote SHGs in many places in India.
- SHGs help borrowers to overcome the problem of lack of collateral. Women can discuss their problems and find solutions
- Combating social evils: Self help groups play an important role in overcoming social evils like alcoholism, drug addiction, gambling etc.
- Women Empowerment: Women Self Help Groups make their members independent of social constraints and allow them to take independent decisions. They can also actively participate in the Gram Sabha.
- Improvement in standard of living: Collective team effort by SHGs for financial inclusion allows improvement in the standard of living, family planning and health care of the weaker sections of the society.
- Financial discipline: SHG members are encouraged to open savings accounts in banks. It assures better living conditions, increased expenditure on education, health etc.

Review of Literature

Dr. Rashmi Rani Agnihotri. H.R and Dr. Malipalil .K. (2017)

"A research on women empowerment programmes in India," according to the article. They investigated the factors that impede women's empowerment and came to the conclusion that women should be trained to make their own decisions for their dependents, which would provide them with a new and more capable environment in every area, which would benefit themselves, their families, society, and country.

Roshni Rawat, (2014) political empowerment will not succeed in the absence of economic empowerment. The Scheme of Microfinancing through SHGs creates empowerment-promoting conditions for women to move from positions of marginalization within the household decision-making process and exclusion within the community to one of greater centrality, the inclusion of voice.

According to **Narang (2012)** the most common explanation for "Women's Empowerment" is the ability to excise full control over one's actions. Thus, women empowerment occurs in a real sense when women achieve increased control and participation in decision making that leads to their better access to resources. It often involves the empowered developing confidence in their owned capacities.

Dr. G. Sudarsana Reddy (2010) says that the SHG-bank linkage program plays an important role in women's empowerment. The study undertaken was based on various indicators like women's household decision-making power, financial autonomy, freedom of movement, political participation acceptance to unequal gender roles, exposure to media, access to education, and experience to members.

Role of Self-Help Groups:

Self Help Groups (SHGs) are informal groups consisting of people facing similar problems. These people come together to form a group to overcome their common problems to improve their standard of living. They are mostly from a similar socio-economic background and are involved in making small savings among themselves in a bank. This amount acts as a fund for SHGs and is used to provide loans to its members. It is an important tool to reduce people below poverty line and improve social status by promoting self-employment.

Objectives

1. To examine the saving habits, banking activities among SHG members.
2. To evaluate their economic improvement through loans and credit.
3. To examine the loan availing process and its purposes.
4. To suggest appropriate measures to improve their financial, methodological, ethical standing.

Statement of the Problem

The rural women of Tiruvarur district are not getting much economic improvement because they do not have the habit of saving and planning, through this study the researcher tried to find a solution to this issue and found meaningful results.

Sample Size

Sample size in research refers to the number of respondents or observations of a study. This number is represented by the sample size of a study influences the power of the study to bring out proper conclusion. In this study, the researcher used 385 sample respondents and gathered data from the respondents, the gathered data was systematically processed and proper conclusion drawn.

$$\text{Sample Size} = \frac{Z^2 * (P) * (1-P)}{E^2}$$

$$\begin{aligned} \text{SS} &= \frac{C^2}{.05^2} \\ &= 1.96^2 * (.5) * (1-.5) \\ &= 385 \end{aligned}$$

Hypothesis

The following are the hypothesis of the study through which the researcher has analyzed the objectives of this study.

H1. : There is no significant association between the age and socio-economic status of the respondents.

H2: There is no significant association between the area of residence and criteria for becoming a member of SHG.

H3: There is no significant association between the monthly income and socio-economic status of the respondents.

Table 1 One way ANOVA test to analyze the significance between age and socioeconomic status of the respondents

Age/ Economic Status	Very Much	Somehow	Never	No idea	Total
15 – 25	10	17	17	23	67
25 – 35	65	40	47	41	193
36 – 50	10	16	19	33	78
Above 50	7	11	15	15	48
Total	92	84	97	112	385

The above table represents the data gathered from the respondents by that we came to know that out of 385 respondents 65 respondents accepts that their socioeconomic status has been residential very much and 40 respondents says that some their economic status has been improved and 112 of the respondents are having no idea about it.

Table 1(a)

Calculated Value	Table Value	df	5% Level of Significance
0.12	24.9	15	Not Significant

Hypothesis I

There is no significant association between the age and socio-economic status of the respondents.

From the table, it is inferred that the calculated value is lesser than the tabulated value so it is concluded that there is no significant association between the age and socio-economic status of the respondents therefore the hypothesis is accepted.

Table: 2 Chi-square test to analyze the significance between the area of residence and the criteria becoming the member of SHG

Area of Residence / Membership Criteria	Loan	Saving	Employment	Social Status	Others	Total
Rural	76	69	96	84	49	374
Semi-Urban	3	2	2	3	1	11
Total	79	71	98	87	50	385

It is inferred from the table that 76 respondents from rural women got the loan through the SHG 84 of the respondents are becoming a member of SHG to gain good social status and only 49 of the respondent are becoming a member of SHG for other purposes.

Table 2(a)

Calculated Value	Table Value	df	5% Level of Significance
0.12	22.3	15	Not Significant

Hypothesis 2

There is no significant association between the area of residence and criteria for becoming a member of SHG.

From the observation, it is inferred that the calculated value is lesser than the table value and the hypothesis is accepted. Hence it is concluded that there is no significant association between the area of residence and criteria for becoming a member of the SHG.

Table 3 One way ANOVA test to analyze the significance between a Monthly income and economic improvement status of the respondents

Monthly Income/ Economic Status	Very Much	Somehow	Never	No idea	Total
Up to 5000	47	56	29	23	155
5001 - 10000	48	57	12	17	134
10001- 15000	8	15	22	11	56
15001 - 20000	18	9	3	6	36
Above 20001	1	1	1	1	4
Total	122	138	67	58	385

It is inferred from the table that 155 respondents are in the income range of up to 5000, 134 respondents from rural women are in the income range 5001 – 10000 and only 4 respondents are in the income range of above 20000.

Table 3(a)

Calculated Value	Table Value	df	5% Level of Significance
1.36	24.9	15	Not significant

Hypothesis 3

There is no significant association between the monthly income and socio-economic status of the respondents.

From the table, it is inferred that the calculated value is lesser than the tabulated value so it is concluded that there is no significant association between the age and socio-economic status of the respondents therefore the hypothesis is accepted.

Findings

- 63% of the respondents are in the age group of 25 – 35
- 57% of the respondents are earning 5001 – 10000 in a month.
- 76% of the respondents from rural areas have availed loans from Banks with the help of SHG.
- The influence of the Social patriarchal structure can be found in many rural women's life.
- Educated women in the rural area of the district have got the power of deciding household issues.
- Lower caste women in rural areas are much vulnerable to maternal and infant mortality.
- Social and communal discrimination often limits women's choices and the freedom

Suggestions

- SHGs can tie up with training-cum productive centers to empower the socio-economic upliftment of rural women.
- Rural women have to be highly motivated all aspects of their lives to face their lives with confidence.
- Women should be encourage and allowed to lead their own teams.
- Rural women should be well trained to balance their work and life.

Conclusion

Based on the observation it is concluded that the socio-economic background of rural women in Tiruvarur district is not up to the level of satisfaction, with the help of SHGs some families have improved socially and economically, but most of the families are affected by illiteracy. Victims the most, they have very low levels of infrastructure, very low literacy levels and high poverty rates. Even though the state and central government have paid a lot of attention to poverty alleviation and empowering the socio-economic

development of rural women through various schemes, much still remains to be done.

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