A Study on Micro Finance And Socio - Economic Empowerment of Women in Kumbakonam Taluk, Thanjavur District With Special Reference to Self Help Groups

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Abstract- Most of the micro finance programmes targeted women with the explicit goal of empowering them. Through SHGs women are motivated to gain or retain their own individuality in the society. This study aimed at (i) to examine the socioeconomic status of the SHG members in the study area. (ii) To analyze the saving pattern of the women in SHG. (iii) To find out the availability of the credit facilities to the SHG groups. (iv) To examine the level of improvement of the women in the study area. This study was undertaken in the Womens town panchayat in Kumbakonam taluk of Thanjavur district. 120 sample respondents were selected from both SHG groups as well as individual. Chi-square test was adopted to study the income, education level, nature work and service rendered to other members in the family. This study finds that, all SHGs members have economic freedoms. 23 per cent of the members have grown up their saving habits. The remaining persons enjoying the social solidarity and they are free from the clutches of money lenders. This study concluded that SHG members have financial independence, self-worth, confidence and vision of a bright future is the main out come of these programmes.

I. INTRODUCTION

Globalisation has presented new challenges for the realization of the goal of women's empowerment. Importance of women in every field has been increasing gradually. Women's movement and a wide spread network of Non-Governmental organizations which have strong grassroots presence and deep in sight into women's concerns have contributed in inspiring initiatives for the empowerment of women. There come self-help groups to empower women and activating them with their own money.

The socio economic development of a country cannot be fully realized as long as its women are confirmed to subordinate position and their talents and unexplored. Women form a position and their talents and any country. They are potential contributions can be realized only when they have opportunities and also the freedom to use them. It has generally been seen that women have tendency to opt for wage employment, probably either under family pressure or may be it suits them the most in view of their family commitments. This tendency or professionally qualified women. There is a need to orient the women towards opting for entrepreneurship as an alternative and better career option so the entrepreneurial and managerial capabilities of women can be exploited to the hilt. This is more relevant in present times when the job opportunities in Government and public sector are shrinking and the wage employment outlets now primarily, being in the private sector. The usefulness of working for one's own instead of working for some one else needs to be inculcated in the women.

To empower women, the strategy adopted must therefore encourage, motivate and impel women to take control of their lives, create space for themselves and participate in decision making at all levels.

Research Issue

- Whether the increased asset base and income through access is inexpensive and timely credit?
- If there any Improvement access to vital credit for economic activities by making SHGs credit worthy and bankable?
- If the financial self sufficiency and sustainability by building up of SHG groups over a period of time are sufficient.
- What are the factors influenced to access and control over resources at the household level through income generating activities?
- Whether the increased social awareness through motivation, intermingling, networking, exposure and participation in Social Action / Reformation programmes are sufficient?
- Whether the access to credit, increased control over resources, improved skills and collective action have improved the status of women?
- Whether the women respondents have the awareness of legal rights and legal aid access, through networking

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and training?

**Objectives**

(i) To examine the socio-economic status of the SHG members in the study area.

(ii) To analyze the saving pattern of the women in SHG.

(iii) To find out the availability of the credit facilities to the SGH groups.

(iv) To examine the level of improvement of the women of the household in the study area.

**Hypotheses**

(i) There is a positive association between the occupation and the income level of the SHG members.

(ii) There is a direct association between the educational Qualification and the income level of the SHG members

(iii) There is a positive relationship between monthly income and the groups involvement in entrepreneurial activities.

(iv) There is a positive relationship between SHGs members income to total household income.

(v) The assets position of the SHG members are determined by occupation.

**II. METHODOLOGY**

The majority of micro finance programmes target women with the explicit goal of empowering them, through SHG women are motivated to gain or to retain their own individuality in the society.

**Selection of the sample respondents**

The area selected for the study is Kumbakonam taluk. In this taluk, Dharasuram town panchayat is selected as the area for the profile of study. Mainly this study covers the women who participate in the SHG for their betterment in life. Middle and lower class of women come under this survey. Since the homemakers, is considered as the financial manager of the family for that 120 sample respondents were selected to fulfill the objectives of this study.

**Statistical analysis**

Chi-square test is adopted to study the income level, Educational level, nature of their work, help from their family members etc. Chi-square test is a non-parametric test mostly used in marketing research to test hypothesis. Generally it is used to test when distribution is not known and when nominal data is to be analyzed. The test is more ore less similar in a approach as z and t-test.

$$ (O-E)^2 \div E $$

Where $O$ – observed value

$--------$

$E$  

$E$ – calculated value

$RT \times CT$  

$RT = $ Row total for the row of that cell

$E =$  

$CT = $ column total for the column of that cell

$N =$  

$N = $ Grand total

Contingency co-efficient is declared significant if the calculated value is greater than table value.

**Collection of data**

The women in self help groups contacted personally and the purpose of investigation was explained. The data for the present study were collected with the help of the questionnaire developed for the study. Respondents were requested to fill in the questionnaire with care to get co-operation from respondents frequent visits were made by the investigator.

The collected data was processed to get the group details, their activities, and women’s active participation and their empowerment level, their problems from the selected samples.

Ho: there is no correlation between income and occupation of SHG group calculated value is greater than tabulated value therefore the researcher reject the null hypothesis and accept the other that there is relationship between occupation and income level of SHG member.

The results shown in Table 1 indicates that the association between occupation and level of income of the SHGs members. The chi-square value is 22.22 which is found to be statistically significant at 5% level with 6 degree of freedom. The results indicates that there is a positive association between occupation and income level of the SHGs members. It means that the income of the SHGs members along with occupation status. In other words higher the occupation status leads to higher level of income for the SHGs members.
III. ANALYSIS AND DISCUSSION

Testing of Hypotheses

TABLE 1: HYPOTHESIS I: THERE IS A POSITIVE ASSOCIATION BETWEEN THE OCCUPATION AND THE INCOME LEVEL OF THE SHG MEMBERS

<table>
<thead>
<tr>
<th>Occupation</th>
<th>. Income Group</th>
<th>Chi-square value</th>
<th>df</th>
<th>Table value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Home Maker</td>
<td>15 23.4</td>
<td>45 70.3</td>
<td>4</td>
<td>6.3</td>
</tr>
<tr>
<td>Non-Agriculturists</td>
<td>3 13.6</td>
<td>13 59.1</td>
<td>6</td>
<td></td>
</tr>
<tr>
<td>Agriculturists</td>
<td>5 41.7</td>
<td>4 33.3</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td>Private Sector</td>
<td>3 13.6</td>
<td>9 40.9</td>
<td>10</td>
<td></td>
</tr>
</tbody>
</table>

Source: Computed

TABLE 2: HYPOTHESIS-II: THERE IS A DIRECT ASSOCIATION BETWEEN THE EDUCATIONAL QUALIFICATION AND THE INCOME LEVEL OF THE SHG MEMBER

<table>
<thead>
<tr>
<th>Educational Qualification</th>
<th>Income Group</th>
<th>Chi-square value</th>
<th>df</th>
<th>Table value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Illiterates</td>
<td>6 42.9</td>
<td>8 57.1</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Upto SSLC</td>
<td>3 18.8</td>
<td>8 50.0</td>
<td>5</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>8.76</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>6</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>12.592</td>
</tr>
<tr>
<td>HSC</td>
<td>12 18.8</td>
<td>41 64.1</td>
<td>11</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Graduates</td>
<td>5 19.2</td>
<td>14 53.8</td>
<td>7</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Computed

H₀: There is no correlation between Educational Qualification and Income level of SHG member. Chi-Square value is 8.76. Table value of Chi-Square at 6 as Degrees of freedom is 12.592.

Since calculated value is less than the table value the null hypothesis is accepted. The results indicates that there is a negative association between education and income level of the SHGs members. It means the educational qualification not correlated to income of the sample respondents.
### Table 3: Hypothesis – III: There is a positive relationship between monthly income and the groups involvement in entrepreneurial activities

<table>
<thead>
<tr>
<th>Monthly Income in Rs.</th>
<th>Group Involvement</th>
<th>Chi-square value</th>
<th>df</th>
<th>Table value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 2000</td>
<td>13</td>
<td>-</td>
<td>-</td>
<td>7.38</td>
</tr>
<tr>
<td></td>
<td>100.00</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2000 - 5000</td>
<td>53</td>
<td>3</td>
<td>5.4</td>
<td></td>
</tr>
<tr>
<td></td>
<td>94.6</td>
<td></td>
<td></td>
<td>7.38</td>
</tr>
<tr>
<td>More than 5000</td>
<td>41</td>
<td>10</td>
<td>19.6</td>
<td></td>
</tr>
<tr>
<td></td>
<td>80.4</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Computed

H₀: Aim of joining SHG is not to do some entrepreneurial activities. Chi-Square value is 7.38. The table value of degrees of freedom of 2 is 5.99.

Since the calculated value is higher than the tabled value so the null hypothesis is rejected. The results indicate that there is a positive association between monthly income and group involvement in entrepreneurial activities. It means that the group involvement is more monthly income also high. In other words, higher the involvement leads to higher the monthly income of the SHGs members.

### Table 4: Hypothesis – IV: There is a positive relationship between SHGs members income to total household income

<table>
<thead>
<tr>
<th>Monthly Income of the family (Rs.)</th>
<th>Income of the SHG member</th>
<th>Chi-square value</th>
<th>df</th>
<th>Table value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 20</td>
<td>6</td>
<td>7</td>
<td>53.8</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>46.2</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2000 - 5000</td>
<td>8</td>
<td>41</td>
<td>73.2</td>
<td>7</td>
</tr>
<tr>
<td></td>
<td>14.3</td>
<td></td>
<td></td>
<td>12.5</td>
</tr>
<tr>
<td>Greater than 5000</td>
<td>23.5</td>
<td>23</td>
<td>54.1</td>
<td>16</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>31.4</td>
</tr>
</tbody>
</table>

Source: Computed

H₀: There is no direct relationship between monthly income of the family and income of SHG members. Calculated value 16.478. Table value of 4 degrees of freedom is 9.488. Calculated value is higher than table value.

Since the null hypothesis is rejected. There is direct relationship between income of SHG member and their family income. It means higher the level of the contribution of SHGs members income leads to higher amount of the total income.
household income. Therefore, the level of household income increased with the higher share of the SHGs member income.

**TABLE 5: HYPOTHESIS-V: THE ASSETS POSITION OF THE SHG MEMBERS ARE DETERMINED BY OCCUPATION**

<table>
<thead>
<tr>
<th>Occupation</th>
<th>Assets</th>
<th>Chi-square value</th>
<th>df</th>
<th>Table value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Home Maker</td>
<td>59</td>
<td>5</td>
<td>7.8</td>
<td></td>
</tr>
<tr>
<td></td>
<td>92.2</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non-Agriculturists</td>
<td>13</td>
<td>9</td>
<td>40.9</td>
<td>23.67</td>
</tr>
<tr>
<td></td>
<td>59.1</td>
<td></td>
<td></td>
<td>7.82</td>
</tr>
<tr>
<td>Agriculturists</td>
<td>12</td>
<td>-</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>100.0</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Private Sector</td>
<td>22</td>
<td>-</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>100.0</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Computed

**H₀**: There is no correlation between monthly income and purchase of assets by SHG member. Calculated value is 23.67, Table value is 78.2 with 3 as degree of freedom.

Since calculated value is higher than the tabled value the null hypothesis is rejected and hence income of SHG member and buying of assets are related. It means that the SHGs members occupational status are higher, the household assets also high. In other words, higher the occupation leads to higher the household assets.

**Findings and Suggestions**

- SHG respondents have very small family. Nowadays people are aware of the problems of big family and they are following “Nam iruvor, Namakku oruvar” scheme. 41% of the family has 1-3 members remaining of them were having more than 3 members.
- Majority of the respondents having family income between Rs. 2000-5000. Very little portion of them are getting less than Rs. 2000 as their family income. Their family income represents their standard of living.
- The respondents spend less than Rs. 1000 for their work. Remaining percentage of them spending more than Rs. 1000. Cut off of expenses will improve their income.
- Each and every SHG member getting loan from SHG group. Majority of them getting loan upto Rs. 2000. Members are feared to get huge amount as loan as they have to repay it. Very little portion of them getting less than Rs. 1000 to meet their unforeseen expenses.
- As being a SHG member majority of them getting nearly Rs. 2000 as their income. 22% of them were getting less than Rs. 1500. The remaining of them getting more than Rs. 2000 as their income.
- The respondents spend less than Rs. 1000 for their work. Remaining percentage of them spending more than Rs. 1000. Cut off of expenses will improve their income.
- Each and every SHG member getting loan from SHG group. Majority of them getting loan upto Rs. 2000. Members are feared to get huge amount as loan as they have to repay it. Very little portion of them getting less than Rs. 1000 to meet their unforeseen expenses.
- Savings pattern of the respondents deals with the amount which the members gave after meeting their
experts. 91% of them save less than Rs. 300. The remaining members save more than Rs. 300 as their future expenses.

- Pattern of savings depend upon the groups attitudes. Some saves weekly, some saves once in 15 days. But majority of them saves monthly.
- Getting loan is easy but repayment of the loan is too difficult. Majority of them says they have problem in repayment of loan. Huge amount received as loan makes problem in repayment.
- 62% of the members are irregular in the payment of loan. 16% members pay the loan amount after a fixed period. The remaining of the people should oblige the actions taken by the groups in collection of loan amount.
- Other than productive activities SHG groups involves in other activities also. 56% of the members go for field trips. 41% of the member run awareness program campaign in their locality about various social issues. Remaining members will go for hearing lecturers on their future, plannings, government schemes etc.
- Future plans of the SHG members gains more importance. 57% of them wants to improve their business. 18% of them wants to provide employment opportunities and the remaining members wants to expand their business as well as to give more opportunities to others.
- Many more problems are faced by SHG members. 58% of the members are lack in internal confidence. 18% of them were not aware the market exposure they do not know the new and improvemental issues on SHGs and the remaining percent of members lacking individual awareness and lack of finance at right time.
- Next comes the family problems of the SHG members. Members do not know how to balance their family as well as their business. 46% of them do not get family support. 34% of them have to take of their children. Which could not to do so. Remaining 20% of them have other family problems.
- Nearly 53% of the members were satisfied of being a SHG member. 34% of the members do not wants to give any comments. They like or not like its up to them. Remaining of them were dissatisfied with the SHG. May some members have some personal problems with other members etc.

IV. CONCLUSION

In India, as in the other developing countries, chronic malnutrition and poverty are the most pressing problems. The problem is not the lack of food; it is lack of income to provide balanced diet, medical care and other essentials in life. People suffer because they don't have jobs. A job ensures that food will be on the table day after day. More than anything else, poor people want a chance to use their own skills and ingenuity in meaningful and self-sustaining work. As men of these communities are often addicted to alcohol and not responsible, a high percentage of the clients in the program are women. World Bank studies indicate that 80 percent of new jobs in developing countries are created by small and micro businesses.

A. A typical loan of less than Rs. 5000 creates or strengthens one job which according to independent studies supports an average of 7 people.
B. A loan at minimum level helps to form a self-help women group. Ten women will start their own saving scheme and are give loan to needy member.
C. By forming Shags for poor women they are enabled to start strengthen small business by saving some of their own money a through loans given by the some charitable organizations. More than 500 groups of 20 women each that have been formed meet weekly.
D. Financial independence, self-worth, confidence and vision of bright future is the outcome of these programmes.

SELECT REFERENCES