

IMPACT OF MICRO FINANCE TOWARDS EMPOWERMENT OF WOMEN SELF HELP GROUPS WITH SPECIAL REFERENCE TO COIMBATORE DISTRICT

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ABSTRACT

In olden days Indian women were mainly rendering services to the family members particularly to the husband and children. So women were not allowed to go outside for earning income. In most areas they were not allowed even to go for higher education. At present women contribute much for the development of all sectors of the country. Employment gives economic status to women. SHGs are considered as the main channel for generating income to the women in all areas particularly in rural and semi-urban areas. The growth of Self-Help Groups (SHGs) is evidence of the fact that women are coming out of their shells, shunning their secondary citizen status and are using their potentialities and talents for individual and societal benefits.

Keywords: Self Help Groups, Empowerment, Micro-finance, Income Generating Activities.

INTRODUCTION

The study is conducted with the motive to understand impact of micro finance towards empowerment of women SHG. At present women contribute much for the development of all sectors of the country. Employment gives economic status to women. SHGs are considered as the main channel for generating income to the women in all areas particularly in rural and semi-urban areas. The societal status of women is reliable indicator of the economic development of society. On the basis of empowering women becomes inevitable and it is evident through entrepreneurial development in the economy.

STATEMENT OF THE PROBLEM

In older days women were restricted to take part in any social activities and not given roles in decision making in her family. This situation was more worsening in rural and remote area. Now the situation has been changed. Today SHG provide economic independence and credit facilities to women. She is given freedom to do what she wishes. They are engaged in income generating activities. This is because of NGO and other financial institution came forward to provide micro finance to women. And also the study attempt to know the degree of influence of micro finance in women empowerment and to assess the level of improvement in their lives.

SCOPE OF THE STUDY

Understanding the concept of microfinance and its role in supporting entrepreneurship and poverty alleviation. Examining the evolution of women's self-help groups and their contribution to community development. Analyzing the impact of microfinance on the economic empowerment of women self-help groups in terms of income generation, asset creation, and employment opportunities. Examining the impact of microfinance on the social empowerment of women self-help groups in terms of improved self-esteem, decision-making power, and social status. Identifying the challenges faced by women self-help groups in accessing microfinance and addressing them.

OBJECTIVE OF THE STUDY

- To understand the reasons to join SHG by the members.
- To analyze the socio – economic conditions of women after availing micro finance.

RESEARCH METHEDODOLOGY

Primary data is collected from the SHG members. The secondary data is collected from internet and research papers were also considered. The sample size up to 130 respondents who are the members of SHG. The tools used for analyzing the data are T-Test, ANOVA, Friedman Rank Analysis.

REVIEW OF LITERATURE

Tankha (2021) conducted a research work on “Women’s Leadership in COVID19 Response: Self-Help Groups of the National Rural Livelihoods Mission Show the Way”. During COVID-19, it was recognised that the far-flung network of National Rural Livelihood Mission’s women’s self-help groups, spanning the length and breadth of the country, could be leveraged to ensure prevention and containment of the virus in rural areas. Women’s SHGs and their federated structures harbour tremendous potential because of the social capital and solidarity networks they possess. This article presents insights from a study and summarises good practices, strategies and innovations that were spearheaded by SHGs amidst the pandemic. Findings from the report provide early lessons from ground-level action taken and recommendations for strengthening women’s leadership to respond to crises.

Sridevi and Singh (2019), explained about the level of NPAs of SHGs both through region-wise and agency-wise. When the loans borrowed by the members are not 25 promptly paid off then NPA happens to occur for banks. A comparative analysis of NPAs in all six regions namely Northern Region, North Eastern region, Eastern Region, Western Region, Central Region, has been studied in this paper. They found that there was a significant rise in NPAs in SHG loans from 2.90% as on 2008 to 6.12% as on 2018 followed by a decline of 1% to 5.19% as 2018-19. The main reason for NPAs was financial indiscipline, lack of economic activity and regular income, poor handholding by promoters, poor monitoring and follow up by bankers, deterioration in group dynamics.

Joshi (2019), analysed involvement of women self-help group in microfinance programme in India is to classify the social and economic factors which impact the involvement of women in self-help groups (SHGs) for their economic as well as social empowerment. Multi-stage purposive and stratified random sampling has been used for the selection of respondents and SHGs. The logit regression model has been formulated to describe the causes that influence the participation of women in SHGs. He found that the factors including age, education, family type and distance from the market have a significant impact on the participation of women in SHGs.

DATA ANALYSIS AND INTERPRETATION:

TABLE :1.1

TABLE SHOWING THE INDEPENDENT SAMPLE T-TEST OF AREA AND OPINION TOWARDS EMPOWERMENT OF WOMEN THROUGH MICRO FINANCE

Independent Samples Test											
		Levene's Test for Equality of Variances		t-test for Equality of Means							
								Significance		Mean Difference	Std. Error Difference
		One-Sided p	Two-Sided p					Lower	Upper		
frequency	Equal variances assumed	.767	.383	-1.702	128	.046	.091	-.24157	.14194	-.52242	.03927
	Equal variances not assumed			-1.650	62.201	.052	.104	-.24157	.14642	-.53425	.05110

(Source : Primary Data)

INTERPRETATION

Independent samples t-test was conducted between area and opinion towards empowerment of women through micro finance. The result shows that, with T- value of -1.702, the significance value (P-value) is 0.104, which is greater than 0.05 so the H_0 is accepted.

There is no significant difference between area and opinion towards empowerment of through micro finance.

TABLE 1.2

TABLE SHOWING ANOVA OF AGE AND OPINION TOWARDS EMPOWERMENT OF WOMEN THROUGH MICRO FINANCE

ANOVA					
Frequency					
	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	3.867	4	.967	1.833	.127
Within Groups	65.934	125	.527		
Total	69.800	129			

(SOURCE: PRIMARY DATA)

INTERPRETATION:

ANOVA was conducted between age and opinion towards empowerment of women through micro finance. The results show that, with degrees of freedom 4 and F-value 1.833, the significance value is 0.127, which is greater than 0.05 so the H_0 is accepted.

There is no significant difference between age and opinion towards empowerment of women through micro finance.

TABLE 1.3

EDUCATION AND OPINION TOWARDS EMPOWERMENT OF WOMEN THROUGH MICRO FINANCE

ANOVA					
Frequency					
	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	2.446	3	.815	1.525	.211
Within Groups	67.355	126	.535		
Total	69.800	129			

(SOURCE: PRIMARY DATA)

INTERPRETATION

ANOVA has conducted between education and opinion towards empowerment of women through micro finance. The results show that, with degrees of freedom 3 and F-value 1.525, the significance value is 0.211, which is greater than 0.05 so the H_0 is accepted.

There is no significant difference between education and opinion towards empowerment of women through micro finance.

TABLE:1.4

TABLE SHOWING RANK OF IMPORTANT FACTORS FOR JOINING SHG

Ranks			
		Mean Rank	Actual Rank
self employed	Test Statistics		.90
improve financial condition			.20
family welfare			.77
get loan and spend time fruitfully			.46
self interest			.76
to be independent			.91
	N	130	
	Chi-Square	38.838	
	df	5	
	Asymp. Sig.	<.001	
	a. Friedman Test		

(SOURCE: PRIMARY DATA)

It is seen from table 4.6 that, the factors considered while joining SHG, 'self- employed' (Mean 2.90) has gained the top priority in ranking by respondents, followed by 'improve financial condition' (Mean 3.20), 'get loan and spend time fruitfully' (Mean 3.46), 'family welfare' (Mean 3.77), 'self-interest' (Mean 3.76), 'to be independent' (Mean 3.91).

Hence, it is inferred from Table 4.6 that self-employed has got the highest importance with lowest mean rate of 2.90 and to be independent has obtained the lowest importance with high mean rate of 3.91.

FINDINGS:

- There is no significant difference between residence and opinion towards empowerment of women through micro finance.
- There is no significance difference between age and opinion towards empowerment of women through micro finance.
- There is no significance difference between education and opinion towards empowerment of women through micro finance.
- Self-employed has got the highest importance with lowest mean rate of 2.90 and to be independent has obtained the lowest importance with high mean rate of 3.91.

CONCLUSION:

The study was undertaken for the women empowerment through SHGs in Coimbatore. It is found that the income of the women has been increased after joining the SHGs. Micro credit through SHGs enhance the equality of status of women as participants decision makers and beneficiaries in the democratic, economic social and cultural spheres of life. SHGs encourage women to take active part in the socio economic progress of our nation. Mahatma Gandhi father of our nation stated that “Women are the noblest of God’s creation, supreme in their own sphere of activity”. SHGs bring out the supremacy of women in molding the community in the right perspective. A silent economic revolution has taken place in the following empowerment of women with the formation of self help groups and micro credit. SHGs have inculcated a great confidence in the minds of rural women succeed in their day to day life. Thus Self Help Groups have proved that they could bring about a change in the mind set of the very conservative and tradition bound illiterate women in rural areas. Regarding communication skills, majority of the respondents were of the view that micro credit has resulted in better communication skills. At the 217 same time, majority of them were of the opinion that their financial literacy has improved a lot. Most of the SHGs felt that their leadership skills have improved after obtaining the micro credit. Along with it, they have better awareness of health, education and environment.

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