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SELF HELP GROUPS AND ECONOMIC EMPOWERMENT OF WOMEN IN PARAMAKUDI

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ABSTRACT

A series of development programmes have been implemented for the development of economy in general ignoring women who constitute half of the total population. Here, women empowerment is the most important instrument for the economic development of a nations women empowerment has become a global governance network. In this aspect, Self Help Groups have emerged as a weapon that wields power to create a socio-economic revolution in the rural areas of our country. In this paper, an attempt has been made to evaluate the Economic Empowerment of Rural Women in Paramakudi Taluk. The source required for the study has been collected from both primary and secondary data. The size of 120 Self Help Groups members has been selected on the basis of multi-stage random sampling method. The results can be concluded that the economic status has enhanced positively for womenfolk after joining the group.

KEYWORDS: *Women, Economic Empowerment, Self Help Group, Paramkudi, Ramanathapuram District, Tamil Nadu*

INTRODUCTION

Poverty and unemployment are the major issues of any developing and under developed countries, to which India is no exception. In India, at the end of 10th five year plan 21.80 per cent of the population was living **below poverty** in rural areas. The overall unemployment rate was estimated to 8.28 million (Planning Commission Report, 2012).

Women constitute around half of country's population and play an equally important role with men in creating a better family or social life (Suman Sing and Puja Manthu, 2005). Women are the best change agent to touch the core of poverty, unemployment and very important segment in development at local to global level (Shambharkar, Jadhav and Mankar, 2012).

Empowerment is a multidimensional process which should enable individual or a group of individuals to realize their full identity and powers in all spheres of life. It consists of greater access to knowledge and resources, greater autonomy in decision-making to enable them to have greater ability to plan their lives, or have greater control over the circumstances that influence their lives and free them from shackles imposed on them by custom, belief and practice (Jegan, 2011).

The origin of Self Help Groups in the brain child of Grameen Bank of Bangladesh, founded by Prof. Mohammed Yunus in 1975, who tried out a new approach to rural credit in Bangladesh. In India NABARD initiated SHGs in the year 1986-87, but the real effort was taken after 1991-1992 from the linkage of SHGs with the banks. SHG is a small economically homogeneous affinity group of the rural poor voluntarily coming forward to save a small amount of money regularly, which is deposited in a common fund to meet the members' emergency needs and to provide collateral free loan decided by the group. The SHGs have been recognized as a powerful weapon to support the destitute poor and to meet the emergency needs of poor through thrift (Lakshmi, 2012).

The existence of women in the state of social, economic, political and knowledge disempowerment is known to be a major hindrance to economic development. SHGs provide appropriate platform for economical development after this social, political and psychological empowerment. There are number of SHGs of women in villages or urban. Hence, it is necessary to study the economic empowerment of women through SHGs in Paramakudi.

Statement of Problem

Women have been oppressed socially, economically and politically for last ten decades. Several studies indicate that Self Help Programme often in the form of credit of Micro-Credit scheme and savings have succeeded in changing the lives of poor women by making way for enhanced income and enhanced self-esteem. The SHGs members social status such as communication skills, decision-making skill, recognition from family and society have been enhanced, but economic conditions of members like income, saving, purchasing power and wealth creation have not been increased upto the expected mark.

REVIEW OF LITERATURE

The purpose of literature review is to convey the readers about the knowledge and ideas that have been established on the study.

Swain & Wallentin (2009) discussed whether the Micro finance empowered women. It was indicated that there was a considerable increase in the level of women development over time for the SHG members, but no such change was identified for the respondents of control group. The study concluded that both conceptually and empirically that the programmes of Micro Finance services optimistically contribute to this change and to empower women.

Josheena & Vasanthakumari (2010) examined the various activities undertaken by SHGs in Kerala. The major outcomes of the study highlighted that majority of the members had availed loan worth of Rs. 1,000-1,500 and small number of the respondents had availed the loan worth of Rs.2,000 and above. It is also found that the highest number of the respondents utilized the loan amount for their family consumption, followed by the starting of a micro- enterprise and the repayment of past loan. The study concluded that SHGs had served the reason of women development, social harmony and socio-economic betterment of the poor.

Sundarajan & Boopathi (2010) studied the Empowerment of SHGs through Micro finance with special reference to Namakkal District. Overall study finding revealed that most of the urban SHG members were above poverty line and used loan for educational purposes as compared to rural SHG members in the study area.

Objectives of the Study

The main objective is to evaluate the Economic Empowerment of Women through Self Help Groups in Paramakudi.

1. To identify the Reasons for joining in Self Help Groups.
2. To know the Monthly Income, Expenditure and Saving Pattern of members before and after joining SHG.
3. To study the Sources and Utilization of borrowed finance.
4. To evaluate the Economic Empowerment of members of SHGs.

Research Design

The present study is analytical nature based on collection of data from both primary and secondary data. Primary data were collected through well structure interview schedule methods from members of SHGs and the secondary data were obtained from various published and unpublished annual reports, journals, magazines and information given by the mahalir thittam office in Ramanathapuram District.

The multi-stage random sampling has been adopted for the present study. At the first stage, paramakudi taluk has been selected for the study. At the second stage, there five (5) villages have been randomly selected on the basis of in which those are more number of groups in each village, there are 20 SHGs have been randomly selected. At the final stage, from each group six (6) members have been randomly selected.

Ramanathapuram district is having four municipalities and 11 community development blocks namely Paramakudi, Ramanathapuram, Keelakarai and Rameswaram. Among the blocks the Paramakudi block is having highest level of Schedule Caste women Self Help Groups. The study

has conducted among the members of SHGs in Paramakudi taluk and the period of the study was from June 2013 to September 2013.

RESULTS AND DISCUSSION

The Self Help Group members get involved in activities which yield better income them. The monthly income of the respondents in before joining SHG and after joining SHG is analysed in the below table. It is evident that before joining in SHG, 40 per cent of the members had income of below Rs.1,500 and least number of members had income of Above Rs.6,000.

TABLE NO.1 MONTHLY INCOME PARTICULARS OF MEMBERS

Income	Before Joining SHG		After Joining SHG	
	Frequency	%	Frequency	%
Below Rs.1500	48	40	12	10
Rs.1501 - 3000	32	27	24	20
Rs.3001-4500	24	20	42	35
Rs.4501-6000	11	09	18	23
Above Rs.6000	05	04	10	12
Total	120	100	120	100

Source: Primary Data

After joining SHG, 35 per cent of the members have income range between Rs.3,001-4,500 and least number of members have income of below Rs.1,500. The analysis clearly shown that, the members after joining in SHG, their income had increased and the increased income has helped to supplement the earnings to reduce the poverty level and unemployment to a great extent in several families.

The SHG members are spending the earned amount which shows better purchasing power of respondents. It is observed that before joining in SHG, 48 per cent of them have spent the amount range of Rs.1,501-3,000 and 5 per cent of them have spent the amount of above Rs.6,000.

TABLE NO.2 MONTHLY EXPENDITURE PARTICULARS OF MEMBERS

Income	Before Joining SHG		After Joining SHG	
	Frequency	%	Frequency	%
Below Rs.1500	32	27	08	07
Rs.1501 - 3000	58	48	17	14
Rs.3001-4500	16	13	32	27
Rs.4501-6000	09	08	49	41
Above Rs.6000	05	04	14	11
Total	120	100	120	100

Source: Primary Data

After joining SHG, 41 per cent of them have spent the amount range between Rs.4,501-6,000 and 7 per cent of them have the amount of below Rs.1,500. The result expresses that the members after joining in SHG, their purchasing power have increased.

TABLE NO.3 MONTHLY SAVING PARTICULARS OF MEMBERS

Income	Before Joining SHG		After Joining SHG	
	Frequency	%	Frequency	%
Below Rs.500	28	23	09	08
Rs.501 - 1000	52	43	13	11
Rs.1001-1500	23	20	34	28
Rs.1501-2000	11	09	45	37
Above Rs.2000	06	05	19	16
Total	120	100	120	100

Source: Primary Data

The above table, if we analysed the saving capacity of the respondents in the study area, before joining as member in SHG, 43 per cent of the members save the amount of Rs.501-1,000 and only 6 per cent of the members saved the amount of above Rs.2,000. But after engaged in SHG activities, the saving range of Rs.1,501-2,000 and only 8 per cent of them have saved the amount of below Rs.500. From the result, it is inferred that the members after joining in group, their saving habit have enhanced.

For carrying out this analysis, the members of Self Help Groups were asked to prioritize the specific economic empowerment through SHGs. To analyze the economic empowerment of respondents after join the SHG, the entire possible economic empowerment factor made known to the members of SHGs. They were asked to rank the economic empowerment factor in the order of their preference. The ranks given by them were quantified using the Weighted Mean Score Method.

From the table, It is clear that 'Increased Financial Knowledge' was the prime economic empowerment factor of respondents for after join the Self Help Group, followed by 'Enhanced Self Income', the next economic empowerment factor was 'Increased Family Income', the fourth rank was 'Able to Meet Household Expenditure', the fifth economic empowerment factor was 'Increased Personal Savings'.

TABLE NO.4 ECONOMIC EMPOWERMENT OF RESPONDENTS AFTER JOIN THE SHG

Factors	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree	Total Score	Weighted Mean Score	Rank
Increased Personal Savings	46	42	19	09	04	477	3.97	V
Enhanced Self Income	53	44	7	11	05	489	4.07	II
Increased Family Income	51	35	20	10	04	479	3.99	III
Easy access to credit from SHG	42	48	09	15	06	465	3.87	VI
Easy access to Bank loans	37	46	15	14	08	450	3.75	VII
Increased the consumption pattern	36	39	25	17	03	448	3.73	VIII
Easy to repay existing debts	26	20	21	35	18	361	3.00	XI
Able to meet Household Expenditure	43	49	12	15	01	478	3.98	IV
Opportunity for Employment generation	21	32	24	28	14	375	3.12	X
Freedom to start a Business	25	29	30	20	16	387	3.22	IX
Increased Financial Knowledge	49	55	12	03	02	509	4.24	I

Source: Primary Data

The sixth economic empowerment factor was 'Easy Access to Credit from SHG', the seventh rank was 'Easy Access to Bank Loans', the eighth economic empowerment factor was 'Increased the Consumption Pattern' the ninth economic empowerment factor was 'Freedom to Start a Business', the tenth rank was 'Opportunity for Employment Generation' and 'Easy to Repay Existing Debts' stood as the last economic empowerment factor.

FINDINGS

- It is find that the members after joining in SHG, their income had increased and the increased income has helped to supplement the earnings.
- It is expressed that after joining SHG, around half of them have spent the amount range between Rs.4,501-6,000.
- It is identified that after engaged in SHG activities, the saving range of Rs.1,501-2,000 and, their saving habit have enhanced.
- It is clear find that 'Increased Financial Knowledge' was the prime economic empowerment factor of respondents for after join the Self Help Group.
- It is also identified that 'Easy to Repay Existing Debts' stood as the last economic empowerment factor.

CONCLUSION

Women empowerment is the most important instrument for the economic development of a nations women empowerment has become a global governance network. In this aspect, Self Help Groups have emerged as a weapon that wields power to create a socio-economic revolution

in the rural areas of our country. The results can be concluded that the economic status has enhanced positively for womenfolk after joining the group.

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