



A Study on Women SHGs in Paramathi Velur Block of Namakkal District, Tamilnadu

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Abstract

Rural women have the potential to lift their households and communities out of poverty. Growth of women means total development in the political, economic, social, cultural, business ventures and in all other dimensional of human life. Hence it necessitates the Indian women folk to work outside their home in order to achieve success in their endeavor to improve their position in the society. The present study made an attempt to trace out the Socio Economic Impact of the Women Development Programme known as Women Self Help Group in ParamathiVelur Taluk of Namakkal District of Tamil Nadu. The healthy growth and rapid development of the Women SHG can be achieved through a strong partnership with banks, NABARD and NGOs. The development of proper mechanism for evaluating the performance of Women SHGs is needed to identify the reasons for non-perform or less performing groups and to take appropriate action to improve their performance.

Keywords: Poverty, Empowerment, Capacity building and Encourage.

Introduction

Women in rural areas have the potential to lift their families and communities out of poverty if they work together. However, they are hampered by persistent gender inequalities that prevent them from obtaining decent work, which they require as a means of achieving economic empowerment, social advancement, and participation in politics. Policymakers and researchers who are attempting to respond to this situation are hampered by a lack of data and analysis available.

Growth of women means total development in the political, economic, social, cultural, business ventures and in all other dimensional of human life. Multi-dimensional development oriented schemes and Programmes have been designed and implemented for improving the social status of Indian women. Hence it necessitates the Indian women folk to work outside their home in order to achieve success in their endeavor to improve their position in the society.

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The present study made an attempt to trace out the Socio Economic Impact of the Women Development Programme known as Women Self Help Group in ParamathiVelur Taluk of Namakkal District of Tamil Nadu.

Selection of Study Area

The Women Self Help Groups were established with great ambition of achieving all round development among women particularly the rural women who are mostly poverty ridden and exploitative in nature. ParamathiVelur Block of Namakkal District was selected as the universe of the present study. Hence the researcher identified women self-help group functioning in ParamathiVelur Block of Namakkal district which provide ample scope for improving the status of the women as a subject for the present study.

Collection of Data

Both primary and secondary data were employed in the present study. The secondary data of the study were collected from the available published materials pertaining to the research work. The primary data required for this study were gathered from the Members, Animator and Secretaries of Self Help Group functioning in the study region.

Methodology of the Study

The present study proposed to contact 50 members of the various Women Self Help Group functioning in Namakkal district. The researcher planned to prepare a well designed pre tested interview schedule and administered them among the proposed population. Random sampling method was used to select the 50 respondents among the 580 members of the SHGs functioning in the ParamathiVelur Block.

Objectives of the Study

The present study is designed on the basis of the following specific objectives.

- To find out the importance of Women Development Programmes in general.
- To examine the problems faced by the organizers of the Women Self Help Group.

Limitations of the Study

The researcher select only one district for the present study because time consuming and finance. The analysis is to be made on the basis of the primary data furnished by the concerned members of self-help groups. The basic statistics tool such as tabulation, percentage analysis, charts and diagrams were employed in this present study. Finally in accordance with the analysis relevant inferences have been drawn and presented in the end.

Review of Literature

In order to provide a vivid picture about the organization, objective and functioning of any institution needs to go through the previous literature available in published or unpublished form. In this context the researcher has made an earnest effort and reviews the available and accessible literatures pertaining to the present study.

Dr. L. Rengarajan in his study about “The Role of Self Help Groups” has defined the nature of functioning of SHG’s in the following words, “A Self Help Group is a voluntary association of people formed to obtain some common rules: most of his members have similar social identity, heritage, caste or traditional occupation and come together for a common cause and manage resources for the benefit of the group members”.³

Selvaraj and Vasanthi SHGs, because of their manageable size, close-knit identity, and operational flexibility, are quickly emerging as promising instruments for job creation and income generation among rural youth, according to the report's findings. Finance and organisational assistance are two of the most basic requirements for rural youth who want to start their own businesses. Because the number of members is so small, the immediate goal of promoting self-employment in rural areas would be poverty alleviation; however, the long-term goal should be the development of entrepreneurial skills in young people. A large number of new micro enterprises can be established in rural areas as a result of the work of SHGs. Poverty reduction is facilitated by the development of micro enterprises.⁴

³Dr. Rengarajan, L. “Role of Self Help Groups in Rural Poverty Alleviation”, Public Opinion Surveys, Vol. XLIX, No.3 Dec.2003.

⁴R. Selvaraj and G. Vasanthi, “Role of Self-Help Groups in entrepreneurial Development”. The Tamil Nadu Journal of Co-operation, June 1999, p.99.

Mishra J.P. Verma P.R. and Singh V.K. They observed that "lack of training, credit and marketing facilities, entrepreneurship, social evils, and a high rate of interest were among the major problems faced by the members of SHGs." According to the recommendations, banks, regional rural banks, primary agriculture co-operative credit societies, and other financing institutions, as well as the state government, should step forward to assist the rural poor through SHGs and provide liberalised credit facilities at a lower rate of interest..⁵

Women's participation in SHGs, according to Banarji's work "The Role of SHGs in the Upliftment of Women," had a significant impact on their empowerment, both in social and economic aspects, he concluded. The majority of the women were able to significantly increase their level of income while also contributing to the development of their families. The process resulted in many of the women reporting that they were now able to participate in family financial decisions, something that they had previously been barred from doing. All of the members were receiving support from their husbands, which was not available to them prior to joining the group, according to the women who participated.⁶

Formation of SHGs

A large number of non-governmental organisations (NGOs) and several community-based organisations, such as farmer's clubs, local governments, field level employees of government agencies, and bank employees, are involved in the formation of SHGs. The formal agencies that already exist, such as state government departments, UNICEF, banks, and the National Bank for Agriculture and Rural Development (NABARD), work together to develop a people-based structure for generating resources.

Performance of SHGs

- As against the target of financing 1 lakh SHGs in 2001-02, 1.95 lakh SHGs were financed during the year.
- Total bank loans disbursed to SHGs during the year aggregated to 525 crore rupees, involving a refinance of 396 crore rupees by the National Bank.
- Around 90% of the SHGs financed by banks were exclusive women SHGs.
- Level of loan recovery from SHGs consistently remain at more than 95percent

Discussion and Analysis

In this part the researcher made an attempt to discuss the impact of Women Self Help Group in the empowerment of women in general and rural poor women in particular by analysing the primary data collected from the selected members of the Women Self Help Groups.

Age wise Distribution of the Respondents

The age group of the members of the women SHGs selected for the study is given in the following Table 1.

Table 1
Age wise Distribution of the Respondents

Sl. No	Age	Respondents	Percentage
1.	0 - 25	17	34
2.	25 - 45	23	46
3.	45 -60	08	16
4.	Above 60	02	04
Total		50	100

(Source: Primary data)

It was noticed that out of the 50 respondents interviewed 46percent of them are belonged to the age group ranging between 25 and 45. 17 women in the sample group are coming under the age group 0.25. Only 16percent of the (08 women members in the study reaches the age between 45 and 60. only 2 of them are having more than 60 years of age.

⁵ Mishra J.P. et.al. "Socio Economic Analysis of Rural Self Help Groups Scheme". Indian Journal of Agricultural Economics, July-Sep., Vol.56. No.3. p.473.

⁶ G.D. Banarji, "Financing Agriculture in House, Evaluation Study on Self-Help Group", Indian Journal of Agricultural Finance Corporation Ltd., April-June, 2002, pp.82.

Marital Status of the Respondents

The marital status of the women needs a special mention in the discussion pertaining to the necessity of becoming a member in Women Self Help Group. The facts about the marital status of the members of the Women Self Help Groups studied are given in the following Table 2.

Table 2
Marital Status

Sl.No	Marital status	No. of Respondent	Percentage
1.	Married	45	90
2.	Widow	05	10
Total		50	100

(Source: Primary data)

The above table indicates that majority of the members of the Women Self Help Groups contacted (90percent) are married. This group of women replied that they are joined as a member in the Women Self Help Group only out of necessity. Only 5 women in the sample group are widows. The last categories of the members of Women Self Help Groups are socially neglected by their fellow women. But they are able to find due recognition after joining as a member in the Women Self Help Group. During the conversation with the respondent the researcher noticed the significance of Women Self Help Group particularly among the married women.

Educational Status of the Respondents

Educational status of the members of a Self Help Group played a significant role in the efficient performance of the group. The different levels of education acquired by the Women Self Help Group members in the study region are given in Table 4.

Table4
Educational Status of the Respondents

Sl.No	Education	No. of Respondents	Percentage
1.	Uneducated	07	14
2.	Primary	25	50
3.	High School	18	36
TOTAL		50	100

(Source: Primary data)

It is found that 85percent of the members of Women Self Help Groups in the study region possess the minimum and maximum level of literacy ranging between elementary and high school level. Only 14percent of the members in the study group are uneducated. Out of the 50 Women Self Help Group members enquired majority of the member (50percent) have high school level education. From the above table it is noticed that the higher percentage of people possessing minimum and maximum literacy can create necessary awareness among the lesser number of illiterate members (14percent).

Assets of the SHGs Members

The economic conditions of the members of the selected SHGs can be evaluated with the help of the movable and immovable assets like land, livestock etc. 40percent of the members replied that they have limited landed properties. 5percent of the members in the sample groups have livestock of different varieties such as cow, buffalo and sheep. 7percent of the members informed that they have land and livestock. 31percent of the respondents possess both land livestock and other types of assets. The facts pertaining to the assets of the members of Women SHGs selected for this present study are given in the following Table5.

Table 5
Assets of the Household

Sl.No	Assets of household	No. of Respondents	Percentage
1	Land	20	40
2	Livestock	02	04
3	Others	06	12
4	Land and Livestock	03	06
5	Livestock and others	08	16
6	Land and others	08	16
7	Land, Livestock and Others	03	06

Total	50	100
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(Source: Primary data)

It is identified from the above table that almost all the members contacted during the study period are not economically well off.

Nature of House owned by the Respondents

The conditions of the dwelling are indirectly reveals the necessity to join in the SHGs. Majority of the SHGs members (82percent) in the sample group are living in Kucha houses (Tailed and Thatched). The remaining 18percent of the members have pucca houses.

Table 6
Nature of House Owned by the Respondents

Sl.No	Housing condition	No. of Respondents	Percentage
1	Kucha	41	82
2	Pucca	09	18
Total		50	100

(Source: Primary data)

From the particulars given in the Table No 6 the researcher able to understand the economic status of the SHGs members selected for the present research work.

Purpose for Borrowing Loans

The members of SHGs borrow money from the women SHGs for the purposes like family expenditures, business, agriculture, livestock, education and Repayment of loan. The Economic activity of the members of the SHGs are activated by the multi dimension function of the SHGs the members of the SHGs can easily availed the loan facilities extended by women SHGs through financial agencies like banks the Table No7 given below shows the different purposes for which the members utilized the loan facilities extended by the SHGs.

Table 7
Purpose for Borrowing Loans

Sl.No	Purpose of loan	No. of Respondents	Percentage
1	Family Expenditure	25	50
2	Business	08	16
3	Agriculture	02	04
4	Livestock	05	10
5	Education	05	10
6	Other Expenses	05	10
Total		50	100

(Source: Primary data)

The facts pertaining to the purpose of loan borrowed by the members of the SHGs indicates that majority of the availed loan in order to meet out the family expenditure which is not productive in nature 16percent of the members borrow either for starting or for running their business. 5percent of the members availed loan for agriculture purpose. 10percent of the members got loan for purchasing livestock the table also indicates that 10percent of the members spent the borrowed money for educating their children and the remaining 10percent used the borrowed amount for repaying their previous loans.

Loan availed for Education

Providing minimum quality education in the present period required huge amount of money. This factor prohibits the poorer sections to give quality education to their wards. In this context the role played by the banking sector through the WSHGs cannot be underrated. The particulars about the above factor is furnished in Table No.8

Table 8
Loan Availed for Education

Sl.No	Educational loan	No. of respondents	Percentage
1	Yes	10	20
2	No	40	80
Total		50	100

(Source: Primary data)

Despite the easy accessibility of education loan in the banking sector only 20percent of the respondents in the study region obtained educational loan. The remaining 80percent of the members of the WSHGs either due to the lack of loan availability or due to the lack of awareness they are not utilizing the banking services for the purpose of getting loan for giving education to their children.

Improvement of Self-Confidence

The following oaths accepted by the members of the Women SHGs at the time of their joining as a SHG member.

“We are unified to find out solution for the deprived women folk in the society. I promised that I will make them as a member of SHG and help them to improve their economic development by imparting proper training, providing encouragement to involve in small scale industries and advise them to involve in social welfare activities.”

The above oath implies that SHGs enable the women to improve their self-confidence and also encourage them to involve in social welfare activities such as anti-dowry project, against child-labour, equality etc.

Summary of Results and Conclusion

The Women Self Help Groups normally consist with a group of 20 people from a homogeneous class who come together for addressing common problems.

The present study comes out with the following findings.

- The Self Help Groups are functioning in many countries.
 - SHGs in India are largely established in states like Tamil Nadu, Karnataka, Maharashtra and Andhra Pradesh.
 - Thanks to the effort taken by the Government of Tamil Nadu, NABARD, NGOs and certain Banks the SHG movement gathered momentum in Tamil Nadu.
 - It was noticed that out of the 50 respondents interviewed 46 percent of them are belonged to the age group ranging between 25 and 45. 17 women in the sample group are coming under the age group 0.25. Only 16percent of the (08 women members in the study reaches the age between 45 and 60. only 2 of them are having more than 60 years of age.
 - Majority of the members of the Women SHGs in the sample (95percent) are married and only 5percent are widows.
 - The economic status of the members of the SHGs in the study group is not encouraging.
 - The average annual savings of 85percent of the SHG members in the study region stood between Rs. 2500 and 5000.
 - 92percent of the SHG members reported that they are venturing in one or other forms of self-employment projects.
 - 20percent of the respondents in the study region obtained educational loan for their children.
 - The feeling of self-worth and communication with others improved after association with the SHGs.
- The study also shows that the members were relatively participating against social evils.

Conclusion

The analysis brings home the point that, the role of WSHGs in social empowerment, economic empowerment and capacity building of the poorest and the most disadvantaged women folk cannot be underrated. The healthy growth and rapid development of the Women SHG can be achieved through a strong partnership with banks, NABARD and NGOs. The development of proper mechanism for evaluating the performance of Women SHGs is needed to identify the reasons for non-perform or less performing groups and to take appropriate action to improve their performance.

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