

Impact of Microfinance on Women Empowerment through Self Help Groups

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Abstract

The study examines the role of Microfinance on women empowerment into the rural area of Karaikal districts. Empowerment way affecting from a location of imposed incapacity to one of power. The overall empowerment level of Karaikal women proves to be low. Microfinance with self help group is creating to be successful into support empowerment of women important toward improvement. Demographic factor of the SHGs rural area women in Karaikal district. Evaluate the SHG rural area women empowerment through Microfinance. Present proposal for betterment of women empowerment through microfinance. Study is undertaken into rural area of Karaikal districts. Together Primary and secondary are use. The primary data is enumerating a filed analysis into the study. Secondary data collated from NGOs report with extra document. Statistical tools used for simple Percentage, Mean, Standard Deviation and one-way-ANOVA. The result from these self-help groups (SHGs) is capable and has become a focus of powerful assessment as it is proving toward be an effective of poverty re-education with economic empowerment. Largely on the resource of secondary data analysis, this paper attempt to stress the role of Microfinance and SHGs in the empowerment of women in Karaikal districts.

Key Words: Self Help Group, Women Empowerment, Micro Finance

Introduction

One of the focuses of the proposed development into the country. Start with the First-Five Year Plan in 1950, in the improvement of poverty. The importance was on promoting economic growth in the agricultural and industrial sector. This in turn was estimated to afford employment opportunity, in the form of creative employment, for the poor and thus, increase their income level. Credit for poverty alleviation depends on the useful use of capital that is made available to the poor. It is the lack of capable use of capital to keeps the poor within perpetual poverty trap. Microfinance program offers the surest way by which to compose best use of the limited development resources toward reach the aim of poverty improvement. Micro finance interventions commonly ensue throughout Self-Help Groups (SHGs).

Several options enclose been tried so far to make this end a possible one and Self Help Groups moment in the most successful one in recent

times. The success of Self Help Group moment is well recognized and it has provided a way used for broader issue empowerment and development among various societies. NABARD launch a scheme of organizing them in self-help group through between the SHGs with banks, in 1992. scheme is generally based on the pattern devise with Bangladesh Grameen under scheme, poor, especially women are organized in SHGs and bank provide these SHGs loan create income generate actions.

It try toward classify the different factor accountable for successful operation of the group. It moreover tried toward point exposed potential hurdle which hamper group's performance. For enabling them to raise their income level with improving living values at here a large part Microfinance action is confined to credit only. Women constitute an immeasurable frequent of user of micro credit savings services.

Micro Finance-Meaning

Finance provides to benefit the low income women with men is called micro finance. Micro finance is not simply a banking activity; it is a development tool.

Micro Finance-Definition

According to the 'High powered Task energy in Micro finance set awake through the NABARD, micro finance is defined as condition of economy, credit and other financial services with products of very small amount toward the poor in rural, semi-urban area of enable them toward heave their income level with improve livelihood standard. Emphasis hold under MF is on the poor into 'pre-micro enterprises' stage for building up their capacities to handle large recourse. No detailed limit for 'small' amount of financial services is envisaged.

Women empowerment

Micro financial services are important adjuncts used for the empowerment and the upliftment of women. This happen by mobilizing the women, organizing then into groups, building their capability for self management at the grass origin with enable them toward access wide ranges of services including credit saving, insurance and business development, they are important because far as they help unleash the till now unknown with available possible of the poor and the women.

Self-Help Group (SHG) Approach

Below this approach, several SHGs are bought together under a single umbrella to form an association. A major benefit of this approach is that it helps to overcome the limitation of individual SHGs. Federation is usually registered under the society Registration act. At the cluster level, each SHG participate directly in the representative body, with two entire members at from each SHG attending the monthly cluster meeting. Information from the groups to the federation and vice versa is channel through the cluster level representative body.

- Enable SHGs toward access with manage external funds,

mainly from Microfinance wholesalers.

- Assisting in the promotion of newer SHGs with also the increase of accessible group through capacity building training.
- Facilitating inter group trade (together financial and non-financial).
- Helping in maintaining linkage between SHGs with other agency performing as advocate for member group.
- Assisting SHGs with loan recovery and dealing with lack of funds and idle money, which have both been problems in SHGs model.
- Productively channelized the idle money of SHGs from where the demand for loan is much lower than their available money supply with in undertaking group venture.

Review of Literature

Sahu Lopamudra, Singh Suresh K (2012), Examine the Women empowerment is an important condition used for elimination of scarcity. Several International with National body include strained on women empowerment giving awareness toward their participation into society, decision making, education and health. Into India, Micro finance and self Help group SHG involvement enclose bring great alteration within the life of women at the grass basis level. Toward evaluate the role of Self Help Groups in empowerment of women of rural Pondicherry. Kavitha and Meenakshisundaram (2013) the role Microfinance on women empowerment within the rural area. The women empowerment, security, and opportunity for women especially people connected risk, helplessness with resources. Influence of women empowerment in rural area. Thalavai and Nadarajan (2010) Microfinance is a dominant means toward improve poverty with empowerment of rural women with its efficient into bring communal along with economic change within the rural India among enhanced managerial ability of women. Microfinance also self help group are initiate toward be successful into promote empowerment of women important to growth. Microfinance of SHG leader in psychological, economic, social aspects, managerial skills along among their attitude in kanyakumari District.

Mula G.and Sarker (2013) Examine the to assess empowerment of women throughout Microfinance. Economic variable in the areas of self-income, employment generation, asset building, productive investment, savings which lead the socio-economic upliftment of rural women folk and empowered. The support by the government to establish and promotion SHGs up to the entrepreneurship level at once through accurate training facilities toward expand their knowledge and skills certainly helps in reducing the problem of rural unemployment through socio-economic empowerment. Ananthi.N (2010) emergent commercialization of rural economic, increasing belief of

farming on external input. Mobilizations of saving towards creation with the growing education include open positive new vista for the micro enterprise improvement in India. Cost decrease plus innovate for effecting marketing all those is require added capital investment for which the entrepreneurs need credit. Self help group SHGs play nowadays a major role in poverty improvement into rural India.

Lakshmi Ramachandar and Perti J. Pelto, (2009) self help group (SHGs) is formed to improve poverty. Group of individual who are below the poverty line are certain micro credit for generate income throughout small income-generating behavior. There is support to several of the increasing number of suicides among individual experience of working within the formation and nurturing of self help group. Shanthi.M. and Ganapathi.R. (2012) here olden days Indian women are mostly report services toward the family member particularly toward the husband with children. Therefore women are not acceptable to leave external for earn income. Indian mortal a country by 70% of its population belong toward rural sector. A woman contributes much for the growth of every one sector of the country. SHGs are improving the socio economic position of women. All regions as of its excellent economic with cultural environment. Manisha Sharma and Vishal Sarin (2011) the role of microfinance organization in poverty improvement. Poverty is cause owed to require of finance with improved in credit can help people to provide other basic services. Microfinance organization facilities access to credit which allow the poor to earn their trade. Therefore the efforts of microfinance organizations must be articulated on identified factors, especially on education, health with housing level however they engage previous location.

Objectives of the Study

- To know the awareness level of SHG rural area women empowerment through Microfinance.
- To analyze the demographic variables impact of various determinants of empowerment of SHGs

Research Hypothesis

H01: There is no association between demographic variables and awareness level of SHGS rural area women empowerment through Microfinance.

H02: There is no significant different between education and women empowerment of SHGs.

H03: There is no significant different between community and women empowerment of SHGS.

H04: The demographic variables positively influence on women empowerment of SHGs.

Research Methodology

Source of Data: study is undertaken in rural area of Karaikal districts. Primary data are enumerate a filed survey into the study Karaikal districts. Secondary data collected from NGOs report with added documents. One NGO is chosen plus Self-Help Group promote by that NGO in rural area of Karaikal districts be in use for study.

Sample Sizes: 100 samples have been collect for the research from all the rural area of Karaikal districts.

Statistical tools used: Simple percentage, Mean, Standard Deviation, and One-Way-ANOVA, Chi-square test and Regression analysis has been used to analyze and interpret the data.

Method of Data Collection: structural interview schedule be prepared through the researcher with use for collect data from the rural SHG women member who are engage into through Microfinance

Limitations of the Study

- Studies apply toward several selected blocks into the Karaikal districts and not everyplace also.
- Since of limitation of time, the study is limited.
- Source constraints are also limitation for the study.
- The most of the respondent are High School with so collection of the data be small bit complicated.
- The interview schedule was arranged simply used for women SHGs with not for NGOs and new Government official.

Table-1: Age wise distribution of the respondents

Items	Frequency	Percentage
Below 18	6	6
19-25	12	12
26-30	19	19
31-35	25	25
36-40	23	23
Above41	15	15
Total	100	100

Source: Primary Data

It is inferred from the above table majority 25% of women were into the age group of 31-35 year. Followed by 23% of the women were into the age group of 36-40 year. 19% of were into the age group of 26-30years, 15% of were in the age of Above 41 years. And 12% of women are in the age group of 19-25 years. 6% women were in age group of less than Below 18 years. So, an inference could be drawn as majority women were developed enough and they perform reasonably in women empowerment of self help groups.

Table-2: Educational level wise distribution of the respondents

Items	Frequency	Percentage
Illiterate	9	9
Primary	29	29
High School	40	40
College	22	22
Total	100	100

Source: Primary Data

The above table show to out of the total respondent in use from the study 40% of the women is high school, 29% of women are primary, 22% of the women college, and 9% of the women illiterate women. It can conclude that majority of the respondents preferring High school women. Rest of the respondents doing women empowerment of SHGs.

Table-3: Religion wise distribution of the respondent

Items	Frequency	Percentage
Hindu	50	50
Muslim	20	20
Christian	30	30
Total	100	100

Source: Primary Data

It is inferred from the above table exhibit to out of the total respondent, 50% of them are Hindu, follow by Christians who are 30% with the remaining 20% are Muslims. Surveys exposed to the majority of the respondent are Hindu.

Table-4: Community wise distribution of the respondents

Items	Frequency	Percentage
OC	16	16
BC	13	13
MBC	15	15
SC	38	38
ST	18	18
Total	100	100

Source: Primary Data

Study disclose that, among the total respondent, 38% belonged toward the SC group, follow by 18% of the ST group, a further 16% of them belong to the OC group, and 15% them belong to MBCgroup, 13% of them belong to the BC group, fulfilled from the study to majority of the respondent belong toward SC groups.

Table-5: Marital Status wise distribution of the respondents

Items	Frequency	Percentage
Married	66	66
Unmarried	34	34
Total	100	100

Source: Primary Data

The above table show out of the total respondent take from married women are very less compared to unmarried 66% of the women are married, 34% of the women are unmarried. It can conclude that majority of the respondents

Table-6: Income wise distribution of the respondents

Items	Frequency	Percentage
Upto Rs.1000	14	14
1001-2000	28	28
2001-3000	27	27
3001-4000	22	22
Above Rs.4001	9	9
Total	100	100

Source: Primary Data

The above table revealed to 28 respondent (28%) were earning monthly income between Rs.1001-2000, 27 respondents (27%) were earning the income range between Rs.2001-3000,22 respondents 22% were monthly income range between Rs.3001-4000,14 respondents (14%)were range income of Rs 1000, 9 respondents 9% were earning less than Rs.4001.and majority of the respondents 1001-2000.

Table-7: Chi-Squares Test for demographic variable and awareness level with regard to women empowerment of SHG rural area women empowerment through microfinance

Variables	Value	Sign.
Age and Awareness level with regard to women empowerment	52.066	.393
Education and Awareness level with regard to women empowerment	47.071	.024*
Religion and Awareness level with regard to women empowerment	29.944	.071
Community and Awareness level with regard to women empowerment	74.875	0.01**
Marital Status and Awareness level with regard to women empowerment	10.898	.369
Income and Awareness level with regard to women empowerment	38.927	.518

Notes: * denotes Sign at 5% level

** denotes sign at 1% level

Inference

Since the P value greater than 0.05. The null hypothesis is accepted and hence concluded that there is no association between age, religion, marital status and income with regard to awareness level to women empowerment awareness level of SHG rural area women empowerment through microfinance. The P values less than 0.05. The null hypothesis rejected. Hence conclude that there is association between education level and community with regard to women empowerment awareness level of SHG rural area

women empowerment through microfinance.

Multiple Regression Analysis of women empowerment of SHGs with regard to demographic factors

H04: The demographic variables positively influence on women empowerment of SHGs.

To know about the impact of the demographic factors on women empowerment of SHGs, multiple regressions using the following model is run

Table-8: Model summaries

R	R square	Adjusted R square	F Value	P Value
.609	.532	.505	35.345	.001**

Note: ** denotes significance at 1% level

The multi correlation coefficient is 60.9 measures the degree of relationship between the actual values and the predicted values of the women empowerment of SHGs.

Table-9: Significance of variables in Regression Model

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	34.713	6.463		5.371	.001**
Age	.362	.672	.061	.538	.024*
Educational level	.039	1.090	.110	.953	.041*
Religion	.319	1.036	.135	.273	.046*
Community	.481	.728	.107	.935	.039*
Marital Status	.190	2.175	.011	.087	.001**
Income	.548	.842	.776	.651	.035*

Notes: * denotes Sign at 5% level

** denotes sign at 1% level

Interpretation:

It has been found that, Income ($\beta = .776, t = .651, p = .035$) have the highest influence or significant impact on women empowerment of SHGs. Whereas Religion ($\beta = .135, t = .273, p = .046$), Education qualification ($\beta = .011, t = .087, p = .001$), Community ($\beta = .107, t = .935, p = .039$), Age ($\beta = .061, t = .538, p = .024$), and Marital Status ($\beta = .110, t = .953, p = .041$) have a relatively lower impact on women empowerment SHGs.

Then the fitted regression model is:

Women empowerment of SHGS (Y) = 34.713 + .362 (age) + .039 (educational qualification) + .319 (religion) + .481 (community) + .190 (marital status) + .548 (income)

The model reveals that, the women empowerment of SHGs is highly influenced by income variable (.548) than other variables.

Conclusion

The examiner presents study among the fervent expect to impulse represent the awareness of system, department also association concerned with micro finance plus SHGs on the different issue into value of development women empowerment. Microfinance organizations must focus on other factor which includes empowerment, education, religion, and community. Also need attention of Microfinance organizations. Today Microfinance is motivated to equal the convenience and flexibility of informal region addition flexibility and continuity. So the effort of Microfinance on women empowerment of SHGs should be articulated on identified factors, especially on education, religion and community even though they occupy last position.

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