



## IS SHG EMPOWERING WOMEN IN TRICHY DISTRICT? - AN EMPIRICAL STUDY

**Dr.B.Yasodha Jagadeeswari**

Assistant Professor, PG & Research Department of Economics, Holy Cross College (Autonomous),  
Tiruchirappalli.

### **Abstract**

National Rural Livelihood Mission (NRLM) programme is a powerful tool to alleviate poverty and empowerment of rural women and it is effective in bringing social and economic changes in the rural India with improved managerial abilities of women. self-help groups under NRLM programme is found to be successful in promoting empowerment of women leading to development. This paper analyses the roll of National Rural Livelihood Mission (NRLM) on women empowerment of SHG members in psychological, economic, social aspects, managerial skills and their attitudes in Trichy District.

The Data required for the study has been collected from both the primary and secondary sources. The results of the study revealed that NRLM have had greater impact on both economic and social aspects of the beneficiaries. Studies have indicated both the promise of NRLM and the challenges they present for women's empowerment. In this context, various factors – economic, organizational, political and cultural – have been emphasized. The present study, while acknowledging all these factors, makes a case for a more-sophisticated and nuanced analysis of culture for a deeper understanding of the linkages between NRLM and women's empowerment, and suggests areas of enquiry for informed policymaking.

**Keywords: Rural Youth Development, Employment, Poverty Reduction, Perception of Women, Role of Women, Women Empowerment, etc.**

### **Introduction**

*“I claim to be no more than an average person with less than average ability. I have not the shadow of doubt that any man or woman can achieve what I have, if he or she would make the same effort and cultivate the same hope and faith”.*

~ Mahatma Gandhi

Today the empowerment of women has become one of the most important concerns of 21st century. Undoubtedly the father of our nation, Mahatma Gandhi experimented in this field a century ago. In recent years, women have joined hands for their development and self-employment in the form of self-help group (SHG). A self-help group (SHG) is a small economically homogeneous affinity group of the rural poor voluntarily coming together to save a small amount of money in a regular and orderly manner, which are deposited in a common fund to provide collateral free loans as decided by the group to meet the emergency needs of members. it enhances the equality of status of women participants growth policy followed by the government leads to increased group activity and reduced poverty level. The present study focusing on economic empowerment of women through self-help group (SHG) under National Rural Livelihood Mission (NRLM) programme in Trichy District.

### **Scope of the Study**

The current study has been conducted in Trichy District in Tamil Nadu. The primary data has also been collected from women members of SHGs in Trichy District. The concept of “Self Help Promotion” has emerged as a new archetype for combating poverty. The economic impact of SHGs on its members is analyzed during the pre and post membership period by taking the variables like Income, Expenditure, Savings, Borrowings and Assets creation.

### **Collection of Data**

The present study is based on survey method. The first-hand information for this study was collected from the Project Director, District Mission Management Unit, Collectorate Campus. Trichy. Trichy District. Primary data



exploring the economic impact of SHGs were collected from the members. The interview schedule was prepared after a review of relevant literature pertaining to this study.

### Methodology

The primary data has been collected through the interview schedule method through convenience sampling method. The sampling unit comprises of 100 SHGs members. The statistical tools such as simple percentage, ANOVA-test were used.

### Objectives of the Study

The present study aims at performance of women self help groups and its impact on economic development. The following are the objectives of the present study.

1. To over view the profile and general performance of NRLM in Trichy District.
2. To find out the socio- economic profile of the respondents who are members of NRLM in Trichy District.
3. To examine the impact of Economic Variables on Self Help Group Members after joining the Self Help Group.

### National Rural Livelihood Mission (NRLM)

NRLM is the flagship program of Govt. of India for promoting poverty reduction through Building strong institutions of the poor, particularly women, and enabling these institutions to access a range of financial services and livelihoods services. NRLM is designed to be a highly intensive program and focuses on intensive application of human and material resources in order to mobilize the poor into functionally effective community owned institutions promote their financial inclusion and strengthen their livelihoods. NRLM complements these institutional platforms of the poor with services that include financial and capital services, production and productivity enhancement services, technology, knowledge, skills and inputs, market linkage, etc. The community institutions also offer a platform for convergence and partnerships with various stakeholders by building environment for the poor to access their rights and entitlements and public service.

### The Major Objectives of NRLM are

1. To create the saving habit among women
2. To meet out the internal credit by themselves
3. To repay credit properly
4. To improve standard of the family by earnings of women
5. To make arrangements to avail the bank loan
6. To know the ways and means for marketing of products
7. To create self confidence among the women
8. To create social awareness among the public

### Sample Design

Trichy district comprises 14 blocks. For the purpose of collecting primary data, block wise lists of SHGs members under NRLM were obtained from the Project Director, District Mission Management Unit, Collectorate Campus.Trichy District. 100 members were concentrated in the following all 14 blocks in Trichy District.

**Table-1, Total No. of Blocks & No. of Members in Trichy District for the Year 2013-14**

Sl. No.	Name of the Block	No. of Members
1.	Manachanallur	10452
2.	Marungapuri	8118
3.	Thottiam	8946
4.	T.Pet	4856



5.	Andanallur	7453
6.	Manikandam	7356
7.	Manapparai	8054
8.	Musiri	7215
9.	Thuraiyur	8248
10.	Lalgudi	8548
11.	Pullambadi	5906
12.	Tiruverumbur	3265
13.	Uppiliapuram	5914
14.	Vaiyampatti	5264
	<b>Total</b>	<b>99595</b>

Source: PD, DMMU. Trichy.

**Table-Ii,SHG Credit Linkage Achievement in Trichy District for the Year 2013-14**

NRLM			NON NRLM			TOTAL		
Target	Achieved	%	Target	Achieved	%	Target	Achieved	%
56	59	105	44	15	34	100	74	74

Source: PD, DMMU. Trichy.

Table 2 shows that NRLM programme in Trichy district Achieved 59 percentage but target only 56 percentage. More than 100 percentage target were achieved. Table 2 shows the total number of Members under NRLM in Trichy District.

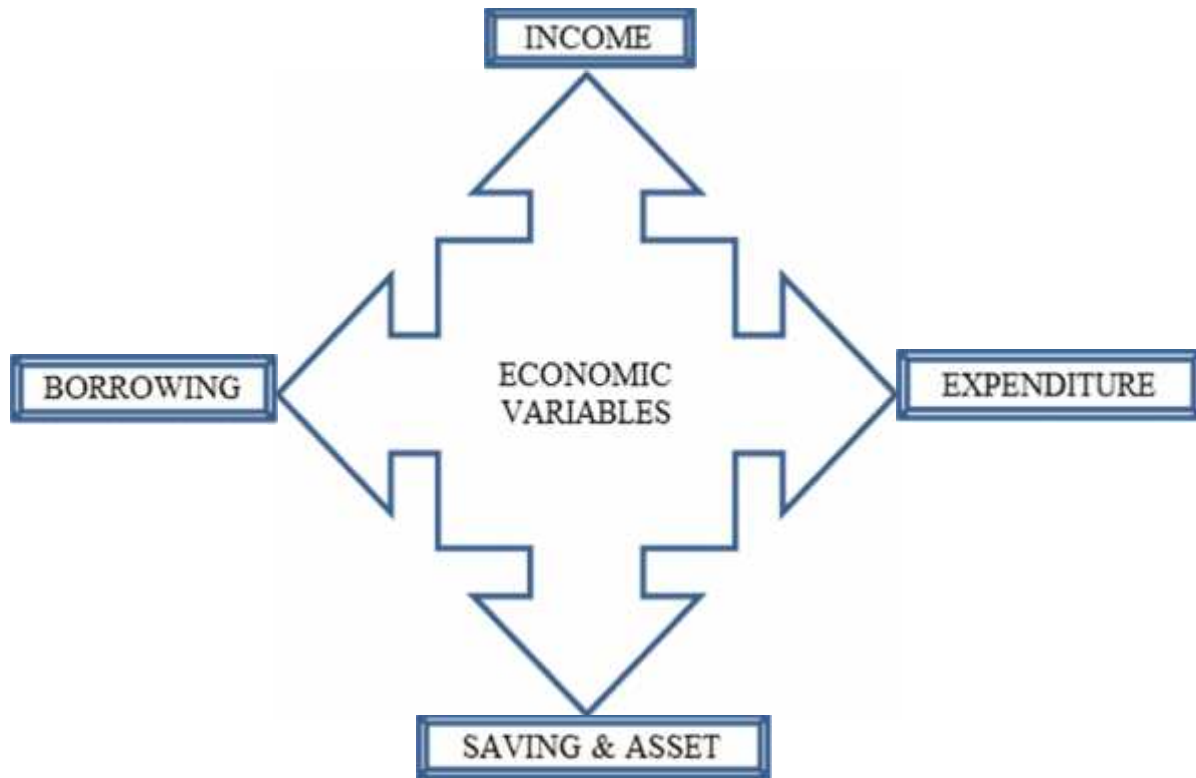
SHG- Bank Linkage Programme has significantly improved the access to financial services for the rural women and has considerable positive impact on the socio-economic conditions and the reduction of poverty of SHG members and their households SHGs should fulfil the following essential minimum criteria to consider it for credit.

1. SHG should have been in active existence for over 6 months. Size of the SHG should be in the range of 10 - 20 members.
2. SHG meetings should have been conducted at regular interval. For 6 months or more SHG should not be a defaulter with any institution.
3. The recovery of internal loans and external loans should not be less than 85%.
4. At least, 50% of group members should have taken internal loans from group fund.
5. Savings by all members in the group fund should be on a regular basis.
6. The group should have maintained proper books of accounts.
7. The group must have well defined rules and regulations approved by proper resolution.
8. After passing in the credit rating credit linkage will be provided under the schemes of NRLM.

SHG has significantly improved the access to financial services for the rural women and has considerable positive impact on the economic empowerment of women. In this study the economic impact of SHG on its members is analyzed during the pre and post membership period by taking the variables like Income, Expenditure, Savings, Borrowings and Assets creation. The five fundamental variables determining the economic status of a member as identified and used in various economic impact measurement studies have been incorporated in the present analysis.



### Economic Variables



### SOCIO ECONOMIC PROFILE OF THE SAMPLE MEMBERS

**Table-III, Annual Income of the Sample Members**

Classification	Before joining SHG	After joining SHG
7500-15000	11	3
1501-22500	14	7
22501-30000	37	39
30001-37500	9	16
Above37500	29	35
Total	100	100

*Source: Computed.*

The income of the respondents during the pre-membership period and post - membership period has been shows in the table 3. Income has been taken one of the indicators for assessing the economic impact of SHG.A close examination of the table shows that the number whose earnings are between Rs.7,500 to Rs.15,000 was 11 percent but this number has fallen to just 3 per cent. Table shows positive economic impact implying that those earning lesser income in the slab have graduated to still higher income slab. Similar in the case of the income slabs between Rs 15001 to Rs 22,500. In other words, the number of members in the pre-membership period in these three income groups are migrated to higher income slabs i.e., Rs.22,501 to Rs.30,000, Rs 30,001 to Rs.37,500 and above Rs.37,500. Therefore it can be concluded that SHG in Trichy District has undoubtedly raised the economic status of the members.



<b>SUMMARY</b>						
<b>Groups</b>	<b>Count</b>	<b>Sum</b>	<b>Average</b>	<b>Variance</b>		
Row 1	2	14	7	32		
Row 2	2	21	10.5	24.5		
Row 3	2	76	38	2		
Row 4	2	25	12.5	24.5		
Row 5	2	64	32	18		
<b>ANOVA</b>						
<b>Source of Variation</b>	<b>SS</b>	<b>df</b>	<b>MS</b>	<b>F</b>	<b>P-value</b>	<b>F crit</b>
Between Groups	1567	4	391.75	19.3935644	0.0030212	5.192168
Within Groups	101	5	20.2			
Total	1668	9				

Now the impact of SHG on income generation of members is statically tested by one way analysis of variance has been employed to test. From the above result, it is obvious that the calculated value of “F” is greater than the critical “F” value, (19.33 > 5.19), and it concluded that there is significant difference between income earned by the members before and after joining self help group. It implies that income level of respondents has significantly improved after they joined in SHG.

**Table-IV, Annual Expenditure of the Sample Members**

<b>Classification</b>	<b>Before joining SHG</b>	<b>After joining SHG</b>
10000	41	26
10001-15000	32	35
15001-20000	14	19
20001-25000	8	11
Above 25000	5	9
total	100	100

*Source: Computed.*

Table 4 shows pattern of expenditure per member per year. A close looks at the table, show that those who spend below Rs 10,000 before joining SHG was 41 per cent. The number of members who spend above Rs. 10,000 and below Rs.20,000 during the pre- membership period was 46 percent this has increased 54 percent during the post membership period. Those who spend more than 25,000 have increased from 5 per cent to 9 per cent.

<b>SUMMARY</b>						
<b>Groups</b>	<b>Count</b>	<b>Sum</b>	<b>Average</b>	<b>Variance</b>		
Row 1	2	67	33.5	112.5		
Row 2	2	67	33.5	4.5		
Row 3	2	33	16.5	12.5		
Row 4	2	19	9.5	4.5		
Row 5	2	14	7	8		



ANOVA						
Source of Variation	SS	df	MS	F	P-value	F crit
Between Groups	1312	4	328	11.5492958	0.009705	5.192168
Within Groups	142	5	28.4			
Total	1454	9				

It can be stated that the members have increased the level of expenditure in the post -membership period due to high level of income. Therefore it can be concluded that the SHG has really brought about a significant changes in the expenditure pattern of the members. To test the significant in the level of increase in expenditure of members, one way analysis of variance has been employed to test. From the above result, it is obvious that the calculated value of “F” is greater than the critical “F” value, (11.55 > 5.19), and it concluded that there is a significant change in the level of expenditure by the members before and after joining self help group.

**Table- V, Annual Saving of the Sample Members**

Classification	Before joining SHG	After joining SHG
2000-4000	63	37
4001-6000	20	41
Above 6000	17	22
total	100	100

*Source: Computed.*

Pre membership saving was in the range of Rs. 2000 to Rs.4,000 representing 63percentage only 17 members containing 22 per cent were able to save above Rs. 6000 .This situation was undergone a major change after joining in SHG . 37 percent of the people can save between 2000 to 4000 ,41 per cent of the people can save between 4,001 to 6,000 and 22 percent can afford to save above Rs .6,000 therefore it can be concluded that SHG in the study area has played a significant role in enhancing the size of saving of the members.

**Table-VI, Borrowing Pattern of the Sample Members**

Classification	Before joining SHG	After joining SHG
Below 10000	59	16
10001-15000	38	21
15001-20000	2	34
Above 20000	1	29
Total	100	100

*Source: Computed.*

The rise in the size of loan is surely indicative of the financial strength of the borrower. 59 percent beneficiaries in the pre-membership period taken a loan less than Rs.10,000 while 38 percent of the members taking loans between Rs.10,000 to Rs.15,000. This situation has undergone considerable change in the post-membership period the beneficiaries taking loan in the range of 15,001 to 20,000 were 34 per cent. The number who availed loan above 20,000 was 29 percent. But ,the number of members availing loan in the range of 10,000 to 15,000 shows a steep fall from 59 per cent to 16per cent thus there is a total change in the size of loans availed by members.



**Table-VII, Value of Assets of the Sample Members**

Classification	Before joining SHG	After joining SHG
Below 10000	41	27
10001-15000	37	31
15001-20000	18	28
Above 20000	4	14
Total	100	100

*Source: Computed.*

A close observation of the table shows that those who have assets value exceeding 20,000 are 14 per cent while it was just 4 per cent before join SHG. Similarly those who hold asset value between 15,000 to 20,000 is 28 per cent while it was 18 per cent during the pre-membership period. It can be concluded that the SHG has helped the members economically.

### **Conclusion and Suggested Future Work**

It can be concluded that today, SHG movement is a very vibrant movement spread across all Blocks of the District. The training by the NRLM had increased their confidence and restored self worth. Even though the members have joined the SHGs for various reasons. Most of the SHG members have developed their own small businesses with the credit linkage and are standing on their own legs. NRLM - a bank linkage programme to SHGs has emerged as an effective program in extending credit to rural women to enhance economic empowerment of women. The outcome of the study strongly reveals that women have become confident about their future and have attained a considerable level of self -reliance and thereby increase in the economic conditions after joining the self help group. Self help group facilitate the members a healthier position in the society.

Women's Participated to SHGs can be encouraged through the following ways: Public Access Strategies; Improving girl's and woman's access to education; Generating demand for Education; Making Higher education and training available for woman and girls; Ensuring that woman get the right skills and providing Microfinance to women.

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