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"Analytical Study On Loan Utilization Factors Of Women In Shgs"

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Abstract: *Women face problems related to poverty, illiteracy, lack of skills health care etc. These are problems that cannot be tackled individually but can be better solved through group efforts. Today, the groups known as Self Help Groups have become the vehicle of change for the poor and marginalized. Since no circumstance is static, and the way forward includes ensuring a proactive involvement of women in the programme, changing social norms and perceptions and anchoring with wider movements of social change, this study is an attempt to showcase the current impact of the engagement on members of SHGs and includes recommendations for improvements in the future. Women's participation in self help groups has obviously created tremendous impact upon the pattern and lifestyles of poor women and has empowered them at various levels as individuals, members of the family, members of the community and the society as a whole.*

Keywords: *Women's Empowerment, Self Help Groups, Quality of life.*

1. INTRODUCTION

Women occupy an important position in any society. The development of status of women is considered as an important condition of social development. This condition varies from country to country, state to state, and region to region depending upon their culture, power of adoption of modern changes, and education. In India, women produce 30 percent of food commodities consumed by the country but earn only 10 percent of income and own just 10 percent of the property or wealth of the country

In order to provide gender equality and to improve economic access among women, the World Bank has identified empowerment as one of the key constituent element for poverty reduction. The promotion of women empowerment is based on dual argument, i.e., social justice and human welfare

The concept of women's empowerment has gained attention over the past two decades in India. Empowerment of women is nowadays believed to be an essential component of international development. Along with this, the self-help group approach pioneered in India in the early 1980s, and emerged as a potential catalyst for change in poor countries, with particular focus on women. It has been argued that the very process of making decisions within the group is an empowering process and can lead to broader development outcome like greater participation of women in local governance and community structures.

Self-help groups (SHGs) are small voluntary groups that are formed by people related by an affinity for a specific purpose. SHG members typically use strategies such as savings, credit or social involvement as instruments of empowerment. A great deal of evidence has been generated from quantitative and qualitative research of self-help groups, much of which can be useful in informing policy and practice.

ISSN:0971-1260
Vol-22-Issue-4-October-December-2019

Quality of life is a state of happiness and satisfaction that a woman gets from the role that she plays. Its presence in a woman's life is unquestionably important

2. AIM OF THE STUDY

The study is an attempt at revealing how much the condition, life styles, and literacy levels of women who are members of SHGs have improved. The focus of the study, therefore, is to assess the improvement in the quality of life among women due to the introduction of governmental policies and Non-Government Organization (NGO) initiatives which creates opportunities for women, which in turn increases their well-being and quality of life.

3. OBJECTIVES OF STUDY

1. To study the socio-economic status of women Self Help Groups in Coimbatore.
2. To identify the correlation among loan utilization dimensions such as consumption, income generation investments, and asset creation investments

4. LIMITATIONS OF STUDY

1. The study is limited to the quality of life alone and other variables are not covered in the study.
2. The research design can employ case study methodology or content analysis to provide a holistic picture of the given subject.
3. Research studies with much larger sample size would be required to ensure appropriate generalization of the findings of the study

5. IMPORTANCE OF THE STUDY

Women also suffer from different types of depravity in social and economic spheres of life, including poor education and income, less control over their own income, less participation in decision making, less access to production resources, and reduced employment opportunity than men. Sustainable development has become a widely accepted term to describe the goal of achieving a high, equitable, and sustainable quality of life.

6. RESEARCH METHODOLOGY

The current study is descriptive in nature. Descriptive study is a fact finding investigation with adequate interpretation. It is the simplest type of research. It is more specific than an exploratory study, as it has focus on particular aspect or dimensions of the problem studied. It is designed to gather descriptive information and provides information for formulating more sophisticated studies.

6.1 Sampling Design

There are 16 revenue blocks in Coimbatore districts and 19266 SHGs are currently operating in these 16 blocks. Of these sixteen blocks, 30 percent is chosen as sample blocks, that is five blocks. These blocks were considered as individual cluster. The SHGs under these clusters were selected on a random basis. Pollachi North, Pollachi South, Sulur, Coimbatore North, and Coimbatore South.

ISSN:0971-1260
Vol-22-Issue-4-October-December-2019

From the five clusters, 380 SHGs are chosen as the sample groups. From each group, two registered members are approached on bases convenience method for collection of data. Only voluntary participants are included in the study. In total 760 respondents are surveyed, with the help of well structure questionnaire. At the end of the data collection, it is observed that nearly 160 questionnaires are found to be unfilled, these questionnaires are deducted from the actual sample of 760, so the research analysis is conducted based on the responses given by 600 sample subjects. Thus, the study represents perception of 600 i.e., 79 percent of the SHGs members approached for the conduct of the study.

6.2 Statistical Tools Applied

The following statistical were applied for the research

- Percentage analysis
- Chi-square Analysis
- T-test
- ANOVA Analysis
- Correlation Analysis
- Regression Analysis
- Average score Analysis

7. ANALYSIS AND INTERPRETATION

7.1 DESCRIPTIVE ANALYSIS

This section exhibits the percentage of respondents' feedback towards all the questions considered in this study. Demographic profile has a group of factors which demonstrates the personal characteristics of the respondents. The demographic factors are age group, educational qualification, marital status, type of family, family size, the nature of the house, and annual family income. Age group is an essential factor to join in a SHG which states that a person should have the age limit between 18 – 60 years old. In this research, five age group categories are considered for evaluation, which are useful in measuring the actual beneficiaries. Education is a key part of strategies to improve individual's well-being and society's economic and social development. Education is important for everyone, but it is significant especially for girls and women. This is true not only because education is an entry point to other opportunities, but also because the educational achievements of women can have ripple effects within the family and across generations. Educating women is one of the most effective ways to reduce poverty.

With education and training, women gain knowledge, skill, motivation and confidence and finally result in empowerment. The educated women understand and appreciate several schemes and institutions that work for their and social development. They also become aware of their rights and duties as citizens. Women in India get married around 20 years of their age (though the government advises minimum of 21 years for the marriage of women). The marriage changes the conditions of decision making by women for at least two reasons. First, it brings in the influence of the husband, his parents and other elders in the family. Second, the marriage is followed, in most cases by pregnancy and childcare in the next few years and the associated responsibilities women are kept tied to their duties at home.

The size of the family is closely related to the type of the family. In a nuclear family, the number of members will be less than five. However, in a joint family members will be more than five

ISSN:0971-1260
Vol-22-Issue-4-October-December-2019

and it may be greater than 6 members in some cases. Women in such families have lots of household responsibilities of bringing up children and taking care of elders, but there are other women to share the responsibilities. Housing fulfills physical needs by providing security and shelter from weather and climate. It also fulfills psychological and social needs by providing a sense of personal space and privacy and a gathering area and communal space for the human family, the basic unit of society. The economic status of the women is also measured by the average annual family income of their household. It is the annual disposable income per family in current (2008-09) period. The subsequent table describes the distribution of respondents' frequency reference to the respective demographic factor.

Table 1: Demographic Profile of the Respondents

Age Group	Respondents	Percent
Below 25 years	45	7.50%
26 – 35 years	207	34.50%
36 – 45 years	236	39.33%
Above 45 years	112	18.67%
Educational Qualification	**Respondents**	**Percent**
Illiterate	93	15.50%
Primary	202	33.67%
Secondary	152	25.33%
Higher Secondary	116	19.33%
Graduate	26	4.33%
Post Graduate	11	1.83%

Table 1: Demographic Profile of the Respondents (contd..)

Marital status	Respondents	Percent
Married	467	77.83%
Unmarried	104	17.33%
Divorced/Separated	19	3.17%
Widowed	10	1.67%
Type of Family	**Respondents**	**Percent**

ISSN:0971-1260
Vol-22-Issue-4-October-December-2019

Nuclear	478	79.67%
Joint	122	20.33%
Family size	**Respondents**	**Percent**
Less than 4 members	283	47.17%
4 – 6 members	275	45.83%
More than 6 members	42	7.00%
Nature of house you live	**Respondents**	**Percent**
Own	365	60.83%
Rented	235	39.17%
Annual family income	**Respondents**	**Percent**
Below Rs.30000	151	25.17%
Rs.30001 – Rs.60000	104	17.33%
Rs.60001 – Rs.90000	98	16.33%
Rs.90001 – Rs.120000	66	11.00%
Rs.120001 – Rs.150000	73	12.17%
Above Rs.150000	108	18.00%

Source: Primary Data

It is observed from the table 4.1 that 39.33% of the respondents belong to 36-45 years age group, 34.5% of the respondents belong to 26-35 years age group, 18.67% of the respondents belong to above 45 years age group and 7.5% of the respondents belong to below 25 years age group. Educational qualification feedback states that 33.67% of the respondents possess primary level educational qualification, 25.33% of them possess secondary level education, 19.33% of the respondents possess higher secondary level education, 15.5% of them are illiterates, 4.33% of the respondents possess graduate level educational qualification and only 1.83% of respondents possess post-graduate level educational qualification.

Marital status feedback infers that 77.83% of the respondents belong to married group, 17.33% of them belong to unmarried group, 3.17% of them belong to divorced/separated group and 1.67% of the respondents belong to widow group. The family type frequency states that 79.67% of the respondents live in nuclear family and 20.33% of them live in joint family. The family size feedback exhibits are as follows; 47.17% of the respondents have less than 4 members in their family, 45.83% of them have 4 – 6 members in their family and 7% of them have more than 6 members in their family. Type of resident observation states that 60.83% of the respondents have own house and remaining 39.17% of the respondents live in rented house. Annual family income states that 25.17% of the respondents' annual family income is below Rs.30000, 18% of them

ISSN:0971-1260
Vol-22-Issue-4-October-December-2019

earn above Rs.150000, 17.33% of them earn Rs.30001-Rs.60000, 16.33% of them earn Rs.60001-Rs.90000, 12.17% of the respondents earn Rs.120001-Rs.150000 and 11% of them earn Rs.90001-Rs.120000.

It is concluded that among the total number of the respondents, most (39.33%) of them belong to 36-45 year age group. The middle age group respondents are really an interesting group to evaluate the empowerment. The demographic factor educational qualification states that 33.67% of the respondents possess primary school level education. SHG scheme has not insisted any educational qualification to become a member. Hence, the respondents possessing school level education exhibits the pattern of respondents attracted by SHG. The marital status group states that most (77.83%) of the respondents got married. Every marital status group is required to evaluate the impact of SHG; hence, the observed frequency of marital status has sufficient data for evaluation. The type of family result depicts that 79.67% of the respondents live in nuclear family. It is also observed that 47.17% of the respondents have less than 4 members in their family, majority 60.83% of them have own house and 25.17% of the respondents have below Rs.30000 annual family income. An important observation states that most of the respondents have less family income. Thus, it might induce the respondents to join SHG.

The SHG profile is another perspective of understanding the respondents which contains the age of the SHG group, reason for joining SHG, designation in SHG and the period of membership in SHG. The age of SHG group helps to explore the level of maturity towards the activities involved in SHG. Recent startups have less opportunity to learn the system. The substantiality can be measured through the age of SHG group, and considering this factor adds value. Similarly, reason for joining in SHG represents the primary motivation behind their activity. In this research, seven factors are considered as one of the reasons for joining in SHG. Every SHG has a team of members between 10 and 20. Thus, administration of the group is a mandatory task and SHG scheme has suggested nominating few authorities to take care of the SHG activities. The Period of membership in SHG by the respondents is another factor to understand the span and their responsibility. The following table illustrates the distribution pattern of respondents towards SHG profile.

7.2 CORRELATION ANALYSIS

The subsequent table 2 describes the correlation analysis of loan utilization dimensions such as consumption, income generation investments, and asset creation investments.

Table 2: Correlations – Loan Utilization Dimensions

LOAN UTILIZATION	**Mean**	**SD**	**N**
Consumption	3.163	0.708	550
Income Generation Investment	3.253	0.755	550
Asset Creation Investment	2.681	0.807	550

LOAN UTILIZATION		**CO**	**IG**	**AC**
Consumption (CO)	r-value	1	0.243	0.148

ISSN:0971-1260
Vol-22-Issue-4-October-December-2019

	p-value		0.000	0.000
Income Generation Investment (IG)	r-value p-value		1	0.362 0.000
Asset Creation Investment (AC)	r-value p-value			1

* – Correlation is significant at the 0.01 level (2-tailed).

The above table shows the summary and relationship of loan utilization dimensions considered for this research. The observed mean and standard deviation results shows the consumption 3.163±0.708, income generation investments 3.253±0.755, and asset creation investments 2.681±0.807. The correlation matrix depicts the r-value and p-value and it is noticed from the result that all selected dimension's p-values are less than the level of significance 0.05. Thus, it confirms the inter-relationship among the selected dimensions.

Key finding states that the loan utilization dimensions considered in this research has found significant relationship. It is also noticed that each dimension is positively correlated with another dimension, which represents the strong inter-relationships.

CROSS TABLE ANALYSIS

The following table describes the cross table analysis between the nature of entrepreneurship and training undergone by the respondents.

Table 3: CrossTab – Nature of Entrepreneurship vs. Training

Nature of Entrepreneurship		**Undergone Training**		
		Yes	**No**	**Total**
Agriculture	N %	7 87.5%	1 12.5%	8 100.0%
Animal Husbandry	N %	26 68.4%	12 31.6%	38 100.0%
Business	N %	241 82.3%	52 17.7%	293 100.0%
Manufacturing	N %	23 88.5%	3 11.5%	26 100.0%
Service	N %	9 75.0%	3 25.0%	12 100.0%
Others	N	17	8	25

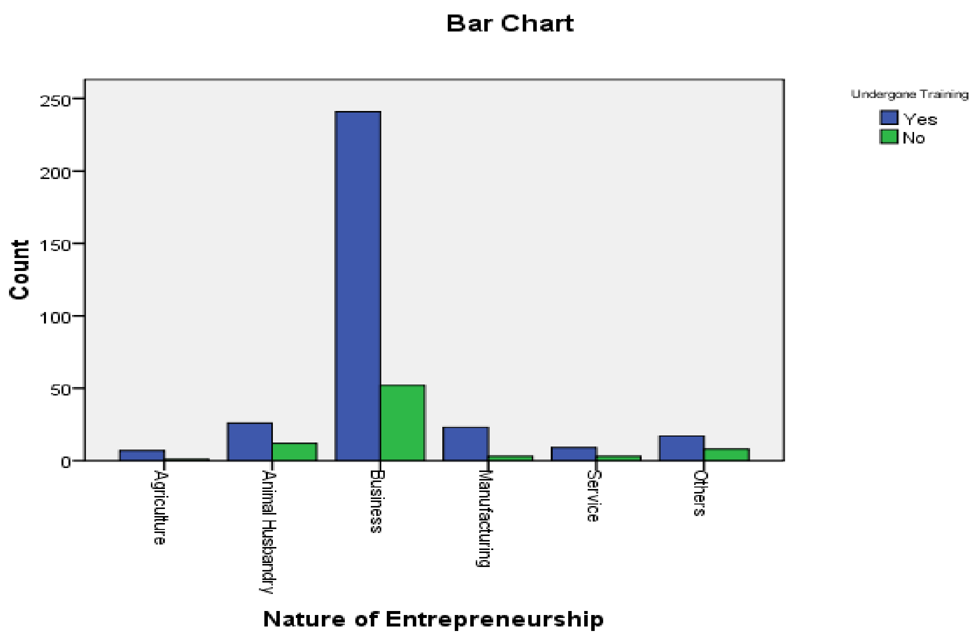
ISSN:0971-1260
Vol-22-Issue-4-October-December-2019

	%	68.0%	32.0%	100.0%
Total	N	323	79	402
	%	80.3%	19.7%	100.0%

The result states that 87.5% of the respondents ,in agriculture business have taken proper training, 68.4% of them in animal husbandry have taken proper training, 82.3% of them in manufacturing business have taken training, 75% of the respondents in service business have taken training and 68% of the respondents in other business have taken proper training.

Key finding states that 80.3% of the respondents have taken proper training related to their business. The respondents in animal husbandry and other business groups have considerably higher distribution of respondents who have not taken proper training related to their business. Considerably, majority of the respondents were taken proper training related to their business. Thus, it can be concluded that women doing business in connection with SHG have enough stuff to manage their business by own.

EXHIBIT 1



The following table shows the cross table analysis between type of trainer and the level of satisfaction of training by the respondents

Table 4: Correlations – Loan Utilization Dimensions

Satisfaction / Trainers		HS	S	N	DS	HDS	Total
NGO	**N**	**26**	**56**	**37**	**18**	**9**	**146**
	%	**17.8%**	**38.4%**	**25.3%**	**12.3%**	**6.2%**	**100.0%**

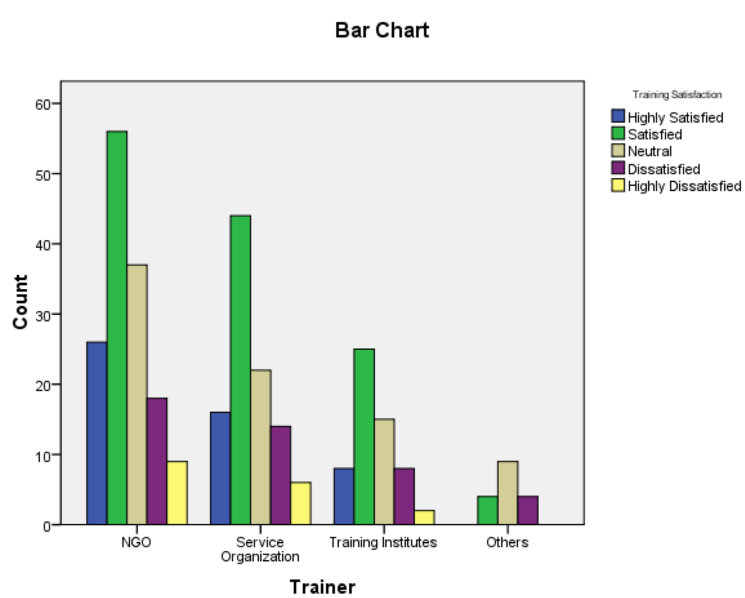
ISSN:0971-1260
Vol-22-Issue-4-October-December-2019

Service Organization	**N**	**16**	**44**	**22**	**14**	**6**	**102**
	%	**15.7%**	**43.1%**	**21.6%**	**13.7%**	**5.9%**	**100.0%**
Training Institutes	**N**	**8**	**25**	**15**	**8**	**2**	**58**
	%	**13.8%**	**43.1%**	**25.9%**	**13.8%**	**3.4%**	**100.0%**
Others	**N**	**0**	**4**	**9**	**4**	**0**	**17**
	%	**0.0%**	**23.5%**	**52.9%**	**23.5%**	**0.0%**	**100.0%**
Total	**N**	**50**	**129**	**83**	**44**	**17**	**323**
	%	**15.5%**	**39.9%**	**25.7%**	**13.6%**	**5.3%**	**100.0%**

Table depicts the cross table analysis of the type of trainer from whom they received training and their level of satisfaction towards the training provided by them. It is observed from the result that 38.4% of respondents who have taken training from NGO are satisfied similarly 43.1% of the respondents taken training from service organization and 43.1% of them taken training from training institutes are also satisfied with the training provided by the respective organizations. 52.9% of the respondents who have taken training from other sources are neutrally satisfied with the training.

Key finding states that out of the total number of respondents who have taken training 39.9% of them are satisfied. NGOs' offers more training for SHG but service organizations and training institutes maintain higher level of satisfaction compared to NGOs.

EXHIBIT 2



8. FINDINGS AND SUGGESTIONS:

8.1 FINDINGS

8.1.1 DESCRIPTIVE ANALYSIS

- 39.33% of the respondents belong to 36-45 years age group.

ISSN:0971-1260
Vol-22-Issue-4-October-December-2019

- 33.67% of the respondents possess primary level educational qualification.
- Major part (77.83%) of the respondents belong to married group.
- 79.67% of the respondents live in nuclear family type.
- 47.17% of the respondents have less than 4 members in their family.
- 40.47% of the respondents are of the opinion that their spouse age group is 41-50 years.
- 35.12% of the respondents are of the opinion that their spouse has primary level educational qualification.
- 58.67% of the respondents said that their spouse is employed.
- 60.83% of the respondents have own house.
- 25.17% of the respondents said that their annual family income is below Rs.30000.
- 56.67% of the respondents are in their group which is 3-5 years old.
- 42% of the respondents are opined that they are aware of SHG through neighbours.
- 23.17% of the respondents joined SHG by the encouragement of NGOs. Similarly, 21.83% of the respondents joined SHG for unemployment reason.
- 48% of the respondents are designated as member in their SHG.
- The respondents are highly and moderately aware of SHG functions considered for this study.
- 56.67% of respondents have been members of the group for 3-5 years.
- 56.17% of the respondents stated that animator is in-charge for meeting arrangements in SHG.
- 94.5% of the respondents always attend the meeting arranged by SHG.
- 61.83% of respondents confirmed that animator decides the meeting agenda.
- 45.67% of respondents felt that all members involved in important decisions.
- 51.33% of the respondents said that important decisions are taken through consensus method.
- 86.67% of the respondents availed the Sangha loan.
- 82.17% of the respondents availed the bank loan.
- 70.5% of the respondents had not availed other loan.

ISSN:0971-1260
Vol-22-Issue-4-October-December-2019

- Loan money is highly consumed for family expenses (47.3%) and children education (36.9%). Loan money is highly utilized for all major income generation activities. Similarly, loan money is highly utilized for procuring the occupational tools (25%).
- 67% of the respondents started entrepreneurial activities with the help of SHG assistance.
- 72.89% of respondents do business.
- 80.35% of respondents have undergone training to improve the entrepreneurial skills.
- 39.94% of the respondents are satisfied with the entrepreneurial training attended by them.
- 45.2% of the respondents are trained by NGOs.
- Communication skill has been highly improved (45.8%) after joining SHG compared to other factors considered for this study. Majority of other literacy factors neutrally impressed the respondents. Overall consolidation states that SHG has influenced about 54.28% on literacy improvement.
- Awareness towards cleanliness and hygiene, nutritious food has been improved (47.2%, 41.2%) after joining SHG which are agreed by the respondents. Overall consolidation states that SHG has influenced about 62.86% on healthcare improvement.

8.1.2 CORRELATION ANALYSIS

- Loan utilization dimensions considered in this research have found significant relationship. It is also noticed that each dimension is positively correlated with another dimension which represents the strong inter-relationships.

8.2 SUGGESTIONS

- The study result ensures that SHG-Bank linkage programme drastically reduces the dependence of money lenders, friends and relatives for their monetary supports. But, still the insufficiency exists; thus it is suggested that quantum of loan amount should be enhanced for better efficiency.
- In order to ensure sustainability of the SHGs, their activities and linkages, it is suggested that there should be better transparency in the books of accounts maintained at the group level. These books should reflect the position of deposits in members' accounts, interest paid on savings, distribution of corpus or operating surplus among members, ever greening of loan accounts, etc.

CONCULSION

The research study concluded that the women involved in SHG have gained personal (52.5%), economical (53.1%) and social (30.1%) empowerment. Thus, it confirms the assured enhancement of life of women. It is suggested that government should maintain this scheme for longtime for better assistance of poor women.

ISSN:0971-1260
Vol-22-Issue-4-October-December-2019

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