

Empowering Rural Women through Micro Finance: An Empirical Study

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Abstract

Objectives: The study is to understand and analyze the role of microfinance in women empowerment through Self Help Groups in Chidambaram taluk, to understand the demographic profile of Self Help Group members and to give suggestions for the improvement of performance of microfinance toward women's empowerment through self help groups. **Methods/Analysis:** This study is both empirical and descriptive in nature. Both Primary and Secondary data have been made use of the analysis. Primary data will be collected through field survey and questionnaires. Personal interviews with the officials concerned are also conducted to get the needed information for the analysis. Here structured questionnaire is used as a tool for data collection from SHG members. The overall progress of the project is being assessed with the help of secondary data which are collected from published sources like annual reports, records of CREED (Centre for Rural Education and Economic Development) office, internet, books etc. A proportionate random sampling method has been used for selecting the respondents from the total SHG's. The population of this study is the total SHG members in Chidambaram Taluk, which is a finite population. There are 680 number of SHG members in Chidambaram Taluk. It refers to the number of items to be selected from the universe to constitute as a sample. In this study 200 number of SHG members in Chidambaram Taluk would be selected as size of the sample. The total sample comprises of 50 SHG members from each 4 blocks of Chidambaram Taluk (Chidambaram urban, Chidambaram rural, Vallampadugai, Kattumanarkoil). This study is conducted for duration of two months from 28th April 2015 to 30th of June 2015. The statistical tools used for analysis are as follows, Percentage Analysis Method, Weighted Average Method, and Paired 't' test. The data analyzed used SPSS Version 16 software. The study has the following limitations, some of the respondents might have answered in biased manner, the Study was limited and confined to Chidambaram Taluk only and time was a major constraint due to which the sample size is limited. **Findings:** The study reveals that there is a significant difference observed between income generation, contribution to house hold income, participation in house hold financial decision, improvement in standard of living, change in social status, awareness about social issues, involvement in social issues at locality, improvement in basic house hold facilities and amenities, ability to solve family related problems, self-confidence, attainment of knowledge and skills, decision making capability and ability to tackle family problems before and after microfinance usage and participation in Self Help Group. Hence, the study concludes that women are empowered because of the usage of microfinance and participation in Self Help Group. **Novelty/Improvement:** In every economy, women play an integral part. For achieving all round development and harmonious growth, women should also be given equal rights. In order to achieve economic development, importance has to be given to the women labor. Nowadays SHG are voluntary organizations, through which members are given micro credits and it ease them to become entrepreneurs. The empowerment of women in rural as well as urban areas can be achieved through formation of Self Help Groups (SHG) of women. The economic empowerment, which is dependent on the overall empowerment of women, can be achieved through these SHGs which involve women in the areas like health, sanitation, nutrition, agriculture, forestry etc., apart from involving them in activities pertaining micro credit.

Keywords: Empowerment, Entrepreneurial Activities, Microfinance, Self Help Groups

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1. Introduction

In every economy women play an essential part. When women are given equal partnerships as with men then only a nation would have overall improvement and pleasant growth. Empowerment of women is crucial to bind the women labor in the main stream of economic development. Empowerment of women is a complete notion. It is multi-dimensional in its approach and covers economical, personal, social/cultural, familial, psychological and political aspects. Of all the aspects of women development, economic empowerment is of paramount significance in order to achieve an eternal and bearable advancement of society. Provision of microfinance is a key source for achieving women empowerment. Although, the accessibility to financial services by the women have been increased considerably in the past 10 years, their capability to gain from their access is often still restricted by the drawbacks they experience because of their gender. International aid donors, governments, scholars, and other development experts have paid much attention to microfinance as a tactic capable of reaching and involving women in their progress.

In order for a woman to be empowered, she needs access to the material, human, and social resources necessary to make premeditated choices in her life. Women have, not only been historically disadvantaged in access to material resources like credit, property, and money, but they have also been barred from social resources like education or insider knowledge of some businesses. Empowerment or equality can't automatically be achieved because of having access to resources. But, the goals can be accomplished only with the ability to use the resources properly. The resources empowering women should be used for the specific purpose.

Entrepreneurs, who are denied traditional bank loans, since they are too poor, opt for micro finance. Micro finance is described as providing of small-scale financial services to various urban and rural area clients who are economically active. Microfinance is the process of elevating the income levels and standards of living, mainly to the rural and urban area poor by thrift, credit and other financial services and products of very minor amounts. Nowadays, microfinance has become a keyword with government, NGOs and international institutions like the World Bank. It has confirmed to be an effective and popular measure in the continuing struggle against poverty and women empowerment.

Microfinance industry began in Bangladesh in the year 1976 with the formation of Grameen Bank which is now a worldwide movement encompassing thousands of professional banks, credit unions, co-operatives, village credit societies, NGOs and charities spanning across both the rich and poor countries. They collectively extend the outreach of the banking services to those who do not qualify for normal bank loans, especially as business credits. Though micro credits are granted at commercial interest rates, they are much lower as compared with the rates of the informal money lenders.

Mobilization of savings is one of the numerous developmental objectives of microfinance. In diverse community developmental activities, it has also been used as an inducer, as an access point in the community-organizing programs and as an ingredient in a larger education or training exercises. Empowerment of women, poor people and extinction of poverty are aimed by all these programs. Natural generation of confidence and eagerness to perform their activities can be bought by a trustworthy agency by adequate doses of microfinance in time to the women for their personal, familial and business purposes. With the availability of small scale loans, the recognition stimulates the capacity of the poor women for entrepreneurship and introduces them to the small enterprise sector.

SHG are voluntary organizations, which disburse micro credit to the members and enabling them to enter into entrepreneurial activities. Formation of Self Help Groups of women in India has been recognized as an effective strategy for the empowerment of women in rural as well as urban areas. Since the overall empowerment of women is crucially dependent on economic empowerment, women through these Self Help Groups are facilitated to involve in a range of areas such as health, sanitation, nutrition, agriculture, forestry, etc. besides income generation activities availing micro credit.

Self-Help Group (SHG) is a small voluntary association of poor people, preferably from the same socioeconomic background. They arise together for the purpose of solving their common problems through self-help and mutual help. The SHG promotes small savings amongst its members. The savings are kept with a bank. This collective fund is in the name of the SHG. Usually, the number of members in one SHG does not exceed twenty.

Simultaneously addressing the issues of poverty mitigation and women's empowerment, micro finance

programs are presently being used as crucial strategies. The credit schemes for women were almost negligible before the period of 1990s. Need of loan at subsidized rates of interest on soft terms, lack of skills, capacity to save, credit worthiness were certain mistaken beliefs about the poor people which made them non bankable. Nevertheless, the rural poor are actually efficient managers of credit and finance which was revealed by several SHGs out of their experiences. Rather than subsidies, the availability of timely and adequate credit is crucial for them in their enterprises. Various poverty alleviation schemes for self-employment by providing credit and subsidy by earlier government efforts received little success ever since then most were objective based including numerous government agencies and banks.

In 1992, NABARD was launched as a pilot project for linking SHGs with banks. The Commercial Banks, Regional Rural Banks and Cooperative Banks were influenced to vigorously take part in the linkage program by the Reserve Bank of India. Banks were given permission to ease security requirements and open saving bank account in the name of SHG, under the RBI's guidelines. Thus, from the assistance of formal financial institutions, an informal credit system was evolved. NABARD, NGOs, SHGs and Bank members were the agencies involved in the schemes.

The key objectives were to deliver the following:

- Auxiliary credits to SHGs.
- Reducing paper work and reductions in transactions cost for both banks as well as SHGs.
- Mobilization of small savings among poor rural women.
- Building mutual trust and confidence between Banks, NGOs and rural poor.
- Creating healthy relations between SHGs members and linking agencies.
- Constant supervision and monitoring by banks through NGOs.

1.2 Statement of the Problem

Alleviation of poverty, the core of all improvement efforts, has persisted a very complex and serious concern for developing countries. An experience has shown that several of the poverty alleviation programs have not attained the predicted success. Women still comprise the largest section of deprived population in spite of considerable enhancement in their status. One of the most vital means of poverty eradication is seen as empowerment of

women. To the development of poor women in rural and urban areas, lack of capital is a serious constrain by finding little (or) no access to credit. Credit can aid women take up farm and related activities such as keeping milk cattle, snack items preparation, pickle making, candle and agarbathi preparation, paper bag making, poultry (or) independent small enterprises, etc. thereby managing their household financial needs.

The area of research is Chidambaram Taluk in Cuddalore district which combines 4 blocks, namely Chidambaram rural, Chidambaram urban, Vallampadugai and Kattumanarkoil, which was identified as economically underdeveloped areas. It was identified that more number of women SHG's are functioning in these areas. Hence it's necessary to study the structure, working and progress of SHG's in Chidambaram taluk and to analyze whether microfinance helps for the empowerment of women in those SHG's.

Empowerment of women is considered as an important responsibility of every government. Till recently very little attention has been given to empowerment issue ways in which both empowerment and sustainability aim could be accommodated women's access to saving and credit gives them greater economic role in decision making through their decisions regarding saving and credit. When women control decision regarding credit and saving, they project in raising income and encouraging poor households to enter the market economy it also service as an entry point for comprehensive community and human development. Hence a study on Women empowerment is made in order to identify the impact of microfinance in empowering women SHG's.

1.4 Scope of the Study

The scope of study is to analyze the progress of SHG's in Chidambaram Taluk, in order to know how far it has achieved its objectives in empowering women through micro finance. Hence by knowing the contribution of microfinance in women empowerment through SHG's it can be effectively implemented to other economically underdeveloped rural areas, which will result both in uplifting the status of women and also adding to the economic growth of the country.

1.5 Objective of the Study

- To understand and analyze the role of microfinance in women empowerment through Self Help Groups in Chidambaram taluk.

- To understand the demographic profile of Self Help Group members.
- To give suggestions for the improvement of performance of microfinance toward women's empowerment through self help groups.

2. Literature Review

The status of Indian women in earlier days with the comparison of upcoming days, the study came up with a clear picture of women in India where there is gender inequality, dependency on male, dependency of widows and small proportion in the life of society¹. So their study on Empowerment of women in India highlights that the 73rd and 74th amendments (1993) to the constitution of India which gave the power to women and also various actions. In² studied the importance of equality, rights and development for the success of empowerment and it states that the economic empowerment of women is the major factor for peace building, so participation in the decision making process about peace and security is the key for empowerment. It also views the women empowerment in different way, which the traditional view misses; the traditional view seen only that education and health-care are the most important things for empowerment. In³ reviewed the measures of already delivered strategies in Ethiopia which comes under Least Developed Countries (LDC), because Ethiopia women need more social, economic, political and cultural empowerment; they have no opportunities even to access their own resources. So the study included gender equality and women empowerment with the millennium developed goals. In⁴ discussed about the development of women empowerment center that has been set up by the Community Connections of Washington to cure the people who have the severe psychological illness. This study formed three focus groups to make the members of the center to participate and it was happened over sixteen months with eight months of interval period. With the help of those focus groups, this study concluded that even though the women empowerment center is in the growth level, it has faced many challenges frequently in their development stage. In⁵ documented the contribution of Women Non-Governmental Organization to the improvement of rural women empowerment in Akwalbom State, Nigeria and the variation income level of those women before and after they get participated in WNGOs, the study used 240 respondents as their participants who are all the ben-

eficiaries of WNGOs. Finally the study concluded that the perception of beneficiaries about the empowerment activities of WNGOs was positively affected by increasing level of income generation and health awareness. In⁶ discussed about the rural women, who are all described as unhappy heroines by western literature, they have the hopeless interaction with other people (men) and they are lack in personal fulfillment and self-determination which includes endless struggle and sacrifice. Also the attachment of the heroic women with other individuals will lead to enslavement and only the isolation results to their freedom. So this study suggests that the society seeks the revolution on the behavior of women by their movement in the social and political margins. In⁷ studied about disabled women to sum up the issues and problems related to the women abuse, to describe the practices of victim-survivors and to provide enough knowledge for the practitioners for their help, disability of women synonymous to their dependency, weakness, and passiveness. The study concluded that those practitioners need to be guided properly by the action plans. Such that it will take to the empowerment oriented approach. In⁸ studied in depth interviews among four hundred and fifty six poor rural households from Bangladesh, India about home gardens; because home gardening will improve the women empowerment as gender equality, stress free, food supplies with income, agricultural involvement, self-confidence and financial stability. So this paper gave training on home gardening and nutrition for the rural women of Bangladesh and it resulted to the gradual empowerment of women. Also this idea was welcomed by the men from the same society.

In⁹ stated that the United Nations (UN) listed some Millennium Development Goals (MDGs) which has to be done before 2015 and its forward objective is to empower women economically with the help of Information and Communication Technologies (ICTs). So Making and marketing of crafts made by women need to be achieve by ICTs. But even though ICTs helps the women craft makers in their production process and selling process by finding better market, etc., it is not an easy access for rural women. Finally, they suggested understanding the factors affecting women to access ICTs. In¹⁰ states that Tamil Nadu and Andhra Pradesh have been leading in India for microfinance and the concept of micro credit was being used by Self-Help Groups with the connection of various banks and micro finance institutions. The main objective of micro finance is to empower the women who are all

discriminated in their economic. And this study found that the micro credit activities such as loans resulted to better income generation. So they concluded that the effective utilization of micro finance by the Self-Help Group members will definitely lead their empowerment in their economic environment.

In¹¹ studied the importance and the impact of Self-Help Groups in India for finding the better suggestions for upcoming Self-Help Group Practices. And they found that the Self-Help increases the employment opportunity, ability to take decisions, involvement with the society, income generation, promotion of micro enterprises, Healthcare, infrastructure development, effective utilization of funds, mobility. Self-confidence, communication level, saving habit and also they suggested focusing on the promotion of Self-Help Groups. studied among the SHG members in the district of Ludhiana and Amritsar who are all from poor background and the backward communities and they stated that the administration of the groups have the code of conduct for their efficiency and hence the Self-Help groups plays the vital role in women empowerment and poverty alleviation with the help of SHG group practices such as Micro finance. So this study aims to find the functioning of SHGs and its impact on the SHG members of the specified districts. They found that there are some issues associated with the SHGs like limited credit delay in the repayment of loan, slow reach of information regarding new schemes and policies from the Government to the Self-Help Group members¹².

In¹³ studied the influence of Self-Help Group and the respondents for this study have gone with the random sampling techniques for selection, those respondents are Poor, Young Hindu women but mostly literates to have the better comparison on the decision making ability of Self-Help group members and Non Self-Help Group members in the activities related to farming. So this study tells that Even though Women are ignored by their society in the process of decision making play the vital role in their socio-economic culture. But there is a need to conduct the programs related to agriculture/farm management and income generation activities with the enough funds from Government. In¹⁴ considered that the level of income generated by the women as the major parameter for their empowerment. So the survey was conducted in the district of Sirsa by measuring the level of income, expenditure and savings among the Self-Help Group members, because economic independence is the key indicator for empowerment which gives the political

and social empowerment. And the study found that the income level and the expenditure level of women have increased after joining with the Self-Help Groups and the conclusion SHGs made a positive impact on the women empowerment.

3. Materials and Methods

Research inculcates scientific and inductive thinking and it promotes the development of logical habits of thinking and organization. It has specific significance in solving various operational and planning problems of business and industry. A research design is the specification of methods and procedures for acquiring the information needed. It is the overall operational pattern or framework of the project that stipulates what information is to be collected from which sources by what procedures. This study is both empirical and descriptive in nature. Both Primary and Secondary data have been made use of the analysis. Primary data will be collected through field survey and questionnaires. Personal interviews with the officials concerned are also conducted to get the needed information for the analysis. Here structure questionnaire is used as a tool for data collection from SHG members. The overall progress of the project is being assessed with the help of secondary data which are collected from published sources like annual reports, records of CREED (Central for Rural Education and Economic Development) office, internet, books etc. A proportionate random sampling method has been used for selecting the respondents from the total SHG's. The population of this study is the total SHG members in Chidambaram Taluk. It is finite population. There are 680 number of SHG members in Chidambaram Taluk. It refers to the number of items to be selected from the universe to constitute as a sample. In this study 200 number of SHG members in Chidambaram Taluk would be selected as size of the sample. The total sample comprises of 50 SHG members from each 4 blocks of Chidambaram Taluk (Chidambaram urban, Chidambaram rural, Vallampadugai, Kattumanarkoil). This study is conducted for duration of two months from 28th April 2015 to 30th of June 2015. The statistical tools used for analysis are as follows, Percentage Analysis Method, Weighted Average Method, and Paired 't' test. The data analyzed used SPSS Version 16 software. The study has the following limitations; some of the respondents might have answered in biased manner. The Study was limited and confined to Chidambaram Taluk only

Table 1. Demographic profiles of respondents

Age of the Respondents	21 to 25 Years (13/6.5%)	26 to 30 Years (28/14%)	31 to 35 Years (60/30%)	36 to 40 Years (35/17.5%)	Above 40 Years (64/32%)		Total (200/100%)
Marital Status of Respondents	Unmarried (10/5%)	Married (152/76%)	Widowed (33/16.5%)	Separated / Divorced (5/2.5%)			Total (200/100%)
No. of Family Members	Individual (5/2.5%)	Below 3 (18/9%)	3 to 5 (120/60%)	5 to 7 (53/26.5%)	Above 7 (4/2%)		Total (200/100%)
Educational qualification	Illiterate (66/33%)	Schooling (116/58%)	Diploma (6/3%)	Degree (12/6%)			Total (200/100%)
Occupation of Respondent	House wife (97/48.5%)	Daily labor (32/16%)	Micro-entrepreneur (35/17.5%)	Others (36/18%)			Total (200/100%)
Occupation of Spouse	Daily labor (36/18%)	Business (47/23.5%)	Agriculture (50/25%)	Private employee (45/22.5%)	Government employee (22/11%)		Total (200/100%)
Monthly family income	5000 (9/4.5%)	5000-10000 (55/27.5%)	10000-15000 (84/42%)	15000-20000 (38/19%)	Above 20000 (14/7%)		Total (200/100%)
Type of house / dwelling place	Kutchra (Hut) (53/26.5%)	Pakka (57/28.5%)	Concrete (89/44.5%)	Others (1/0.5%)			Total (200/100%)
Years of experience in SHG	Less than 1 year (4/2%)	1-2 years (21/10.5%)	3-5 years (67/33.5%)	5-7 years (83/41.5%)	Above 7 years (25/12.5%)		Total (200/100%)
Factors influenced respondents to join the SHG	Self-decision (76/38%)	Friends (68/34%)	Relatives (40/20%)	NGO (15/7.5%)	Others (1/0.5%)		Total (200/100%)
Attending SHG meeting	Very rarely (5/2.5%)	Rarely (15/7.5%)	Neutral (61/30.5%)	Frequently (99/49.5%)	Very Frequently (20/10%)		Total (200/100%)
Availing loan from SHG	Very rarely (3/1.5%)	Rarely (12/6%)	Neutral (44/22%)	Frequently (116/58%)	Very Frequently (25/12.5%)		Total (200/100%)
Amount of loan from SHG	Less than 5000Rs. (5/2.5%)	5000-10000Rs. (59/29.5%)	10000-15000Rs. (59/29.5%)	15000-20000Rs. (49/24.5%)	Above 20000Rs. (28/14%)		Total (200/100%)
Purpose of taking loan	Domestic / Household (69/34.5%)	Micro-entrepreneur (35/17.5%)	Education (36/18%)	Marriage (35/17.5%)	Agriculture (16/8%)	Other (9/4.5%)	Total (200/100%)
Repaying the loan	Always (178/89%)	Sometimes (22/11%)					Total (200/100%)
Social activity involved in after joining SHG	Pooja/ Worship/ Feast (47/23.5%)	Savings groups/ Cooperative (44/22%)	Campaigns on Health/ Education (23/11.5%)	Women groups (74/37%)	Political meeting (10/5%)		Total (200/100%)
Beneficiaries of the SHG loan	Self (61/30.5%)	Spouse (23/11.5%)	Children (37/18.5%)	Other family members (77/38.5%)	Others (2/1%)		Total (200/100%)
Basic amenities	Safe drinking water facility (181/19)	Sanitary toilets (165/35)	Household electrification (200/0)	LPG connection (171/29)			Total (200/100%)

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Weighted Average Method

Table 2. Ranking the basic motive of joining Self Help Groups- Weighted Average Method

Basic motive in joining SHG	R1	R2	R3	R4	R5	R6	R7	R8	Total
Change your poverty	33	82	41	20	9	3	3	9	200
Increasing Income	42	48	60	32	12	4	1	1	200
Enhance savings/deposits	33	29	45	45	31	7	7	3	200
Acquire assets	40	19	17	52	41	15	10	6	200
Take loan for MF	16	7	15	16	63	54	21	8	200
Increasing family welfare	20	10	4	17	20	69	38	22	200
Children education/marriage	11	2	10	7	14	26	91	39	200
Get other benefits	5	3	8	11	10	22	29	112	200
Total	200	200	200	200	200	200	200	200	

(Sources: SPSS data output)

Table 3. Weighted average method for basic motive of joining Self Help Groups.

Basic motive in joining SHG	R1(8)	R2(7)	R3(6)	R4(5)	R5(4)	R6(3)	R7(2)	R8(1)	Σwx Total	$\Sigma wx/\Sigma w$ Average
Change your poverty	264	574	246	100	36	9	6	9	1244	34.6
Increasing Income	336	336	360	160	48	12	2	1	1255	34.9
Enhance savings/deposits	264	203	270	225	124	21	14	3	1124	31.2
Acquire assets	320	133	102	260	164	45	20	6	1050	29.2
Take loan for MF	128	49	90	80	252	162	42	8	811	22.5
Increasing family welfare	160	70	24	85	80	207	76	22	724	20.1
Children education/marriage	88	14	60	35	56	78	182	39	552	15.3
Get other benefit	40	21	48	55	40	66	58	112	440	12.2

(Sources: SPSS data output)

and time was a major constraint due to which the sample size is limited.

4. Results and Discussion

By inferring from Table 1, the demographic profile analysis using percentage analysis reveals that 32% of the respondents are above 40 years of age, 30% of them are between 31 to 35 years and 6.5% of them are below 25 years, as far as the marital status is concerned that 76% of

the respondents are married, 5% of them are unmarried, about their family dependency 60% of the respondents have 3 to 5 members in their family and 26.5% of them have 5 to 7 members in their family. About their educational background it is found that 33% of the respondents are illiterate, 58% of them have completed schooling and only 6% of the respondents have completed degree and about their occupational profile is concerned that 48% of the respondents are house wives, 16% of them are daily labor and 17.5% of them are micro-entrepreneur, 25% of

Paired 't' Samples Test

Table 4. Paired 't' Samples Test for Income Generation-Economic Empowerment

		Paired Differences					T	Df	Sig. (2-tailed)
		Mean	Std. Deviation	Std. Error Mean	95% Confidence Interval of the Difference				
					Lower	Upper			
Pair 1	B-Income generation	1.955	.816	.058	1.841	2.069	33.871	199	.000
	A-Income generation								

(Sources: SPSS data output)

Table 5. Paired Samples Test for Contribution to House Hold Income

		Paired Differences					T	Df	Sig. (2-tailed)
		Mean	Std. Deviation	Std. Error Mean	95% Confidence Interval of the Difference				
					Lower	Upper			
Pair 1	B-Contribution to house hold income A-Contribution to house hold income	2.105	.904	.064	2.231	1.979	32.913	199	.000

(Sources: SPSS data output)

Table 6. Paired Samples Test for Participation in House Hold Financial Decisions

		Paired Differences					T	Df	Sig. (2-tailed)
		Mean	Std. Deviation	Std. Error Mean	95% Confidence Interval of the Difference				
					Lower	Upper			
Pair 1	B-Participation in house hold financial decision	1.89	.645	.046	1.985	1.805	41.548	199	.000
	A-Participation in house hold financial decision								

(Sources: SPSS data output)

Table 7. Paired Samples Test for Improvement in Standard of Living

		Paired Differences					T	Df	Sig. (2-tailed)
		Mean	Std. Deviation	Std. Error Mean	95% Confidence Interval of the Difference				
					Lower	Upper			
Pair 1	B-Improvement in standard of living	1.950	.671	.047	2.044	1.856	41.121	199	.000
	A-Improvement in standard of living								

(Sources: SPSS data output)

Table 8. Paired Samples Test for Change in Social Status

		Paired Differences					T	df	Sig. (2-tailed)
		Mean	Std. Deviation	Std. Error Mean	95% Confidence Interval of the Difference				
					Lower	Upper			
Pair 1	B-Change in social-status	2.055	.703	.050	2.153	1.957	41.330	199	.000
	A-Change in social-status								

(Sources: SPSS data output)

Table 9. Paired Samples Test for Awareness about Social Issues

		Paired Differences					T	Df	Sig. (2-tailed)
		Mean	Std. Deviation	Std. Error Mean	95% Confidence Interval of the Difference				
					Lower	Upper			
Pair 1	B-Awareness about social issues	1.845	.619	.044	1.931	1.759	42.167	199	.000
	A-Awareness about social issues								

(Sources: SPSS data output)

Table 10. Paired Samples Test for Involvement in social issues at locality

		Paired Differences					T	df	Sig. (2-tailed)
		Mean	Std. Deviation	Std. Error Mean	95% Confidence Interval of the Difference				
					Lower	Upper			
Pair 1	B-Involvement in social issues at locality	2.045	.759	.054	2.151	1.939	38.111	199	.000
	A-Involvement in social issues at locality								

(Sources: SPSS data output)

Table 11. Paired Samples Test for Improvement in Basic House Hold facilities

		Paired Differences					T	Df	Sig. (2-tailed)
		Mean	Std. Deviation	Std. Error Mean	95% Confidence Interval of the Difference				
					Lower	Upper			
Pair 1	B- improvement in basic house hold facilities and A-improvement in basic house hold facilities	2.11	.838	.059	2.227	1.993	35.630	199	.000

(Sources: SPSS data output)

Table 12. Paired Samples Test for Ability to solve family related problems

		Paired Differences					T	df	Sig. (2-tailed)
		Mean	Std. Deviation	Std. Error Mean	95% Confidence Interval of the Difference				
					Lower	Upper			
Pair 1	B-Ability to solve for family related problems A-Ability to solve for family related problems	2.060	.734	.052	2.162	1.958	39.678	199	.000

(Sources: SPSS data output)

Table 13. Paired Samples Test for Self Confidence

		Paired Differences					T	Df	Sig. (2-tailed)
		Mean	Std. Deviation	Std. Error Mean	95% Confidence Interval of the Difference				
					Lower	Upper			
Pair 1	B-Self-confidence - A-Self-confidence	2.010	.885	.063	2.133	1.887	32.107	199	.000

(Sources: SPSS data output)

Table 14. Paired Samples Test for Attainment of Knowledge and Skills

		Paired Differences					T	df	Sig. (2-tailed)
		Mean	Std. Deviation	Std. Error Mean	95% Confidence Interval of the Difference				
					Lower	Upper			
Pair 1	B-Attainment of knowledge and skills - A-Attainment of knowledge and skills	1.815	.790	.056	1.925	1.705	32.49	199	.000

(Sources: SPSS data output)

Table 15. Paired Samples Test for Improvement in literacy level

		Paired Differences					T	df	Sig. (2-tailed)
		Mean	Std. Deviation	Std. Error Mean	95% Confidence Interval of the Difference				
					Lower	Upper			
Pair 1	B-Decision making capability - A-Decision making capability	2.015	.740	.052	2.118	1.912	38.512	199	.000

(Sources: SPSS data output)

Table 16. Paired Samples Test for Ability to tackle family problems

		Paired Differences				T	df	Sig. (2-tailed)
		Mean	Std. Deviation	Std. Error Mean	95% Confidence Interval of the Difference			
					Lower	Upper		
Pair 1	B-Ability to tackle family problems	1.845	.777	.055	1.953	1.737	33.573	.000
	A-Ability to tackle family problems							

(Sources: SPSS data output)

the respondents spouse is engaged in agriculture, 23.5% of the respondents spouse is doing business, 18% of respondents spouse is daily labor.

The demographic profile also reveals about their family income i.e. 29% of respondent's family income lies between Rs.5000 to Rs.10000, 42% of respondent's lies between Rs.10000 to Rs.15000 and 26% of the respondents have above Rs.15000. About their housing status 44% of the respondents live in concrete house, 28.5 % of them live in ordinary basic house and 26.5% of

they live in hut. About the number of years of association with SHGs is concerned 44% of the respondents are in SHGs for 5 to 7 years, 33.5% of them are in SHGs for 3 to 5 years and 12.5%

of respondents are in SHGs for less than 3 years. It is found that 38% of the respondents join SHG based on their self-decision, 34% of them joined by their friend's influence, 20% of them joined by the influence of relatives and 7.5% of them joined by the influence of NGOs. It also found that 49.5% of the respondents attend SHG meetings frequently and 7.5% of them attend meetings rarely. It is found that 58% of the respondents avail loan frequently, 12.5% of the respondents avail loan very frequently and only 6% of them take loan rarely. It is found that 34.5% of the respondents use the loan amount for domestic/household purpose, 18% of them use the loan for educational purpose 17.5% of them use the amount for micro-enterprise purpose and 8% of them use for agricultural purpose and about their repayment 89% of the respondents always repay the loan regularly and 11% of them sometimes repay the loan. It is found that 37% of the respondents involve in women group activities, 23.5% of the respondents involve in pooja/worship/feast, and 22% of them involve in savings/co-operative activi-

ties and the beneficiary of the loan amount 30.5% of the respondents are self-benefited from the loan and 38.5% of them where their family members are benefited.

By inferring the Table 2 and 3, the finding of the Weighted average method reveals that the reason for joining in SHG, increasing income is the most important reason of joining SHG, changing the poverty is the second reason, enhancing savings and deposit is the third reason, acquiring assets is the fourth reason; taking loan is the fifth reason, increasing the family welfare is the sixth reason, children education or marriage is the seventh reason and to get other benefits is the eighth reason.

By inferring the Table 4 to16, the findings of the paired't' test reveals that there is a significant difference observed between income generation, contribution to house hold income, participation in house hold financial decision, improvement in standard of living, change in social status, awareness about social issues, involvement in social issues at locality, improvement in basic house hold facilities and amenities, ability to solve family related problems, self-confidence, attainment of knowledge and Skills, decision making capability and ability to tackle family problems before and after micro finance usage and participation in Self Help Groups.

5. Conclusion

Microfinance has the potential to have a powerful impact on women's empowerment. Although microfinance is not always empowering for all women, most women do experience some degree of empowerment as a result. Empowerment is a complex process of change that is experienced by all individuals somewhat differently. Strengthening women's financial base and economic

contribution to their families and communities plays a role in empowering them. In some cases, access to credit may be the only input needed to start women on the road to empowerment. This study reveals that the women in Self Help Groups in Chidambaram Taluk (Chidambaram Urban, Chidambaram Rural, Vallampadugai, Kattumanarkoil) has a considerable improvement in the aspects of economic empowerment, decision making empowerment, social empowerment, familial empowerment, psychological empowerment and political empowerment.

In specific there is a better improvement in contribution to household income, participation in house hold financial decisions, improvement in standard of living, decision making on family budgeting and purchase of house hold items, change in social status, involvement in social issues, family relationship, ability to solve family related problems, self-confidence, knowledge and skills, and interest to develop leadership qualities. But there are some key issues regarding the utilization of microfinance by the SHG members. Most of the members have the practice of using the loan amount mainly for their domestic/house hold purposes rather than using it for micro-entrepreneurial purpose. Hence, initiative should be taken to encourage members of the SHG to involve in entrepreneurial activities which will not only improve the individual empowerment but also to the growth of the country. In future researcher should do research to explore the motivational factors which specifically motivates the self-help group members to become a successful entrepreneur.

It is suggested the respondents below 30 years of age are less in number. So women below 30 years of age should be encouraged to join the self-help groups in large numbers and observed that the married women actively take part in self-help group activities when compare to unmarried, hence unmarried women should be motivated and made to actively take part in those activities, so that young entrepreneurs can be made. It is observed from that ninety one percent of the respondent's educational qualification is below or up to schooling only, so transformational educational programs and campaigns can be conducted to improve their knowledge and educational qualification. There are fewer respondents are involved in micro-entrepreneurial activities whereas others are daily labor and house wives; so they should be motivated to actively take part in entrepreneurial activities. It is suggested that fifty four percentages of the respondents are

in Self Help Group for more than 5 years and this shows that they are really benefited through SHGs. Hence more encouraging initiative should be taken to make other women to join SHGs activities. Self-motivated decision is the major influence to join SHG for thirty eight percentages of respondents, whereas others join SHG by the influence of friends, relatives and NGOs. Hence awareness about the SHGs and their benefits should be created among women in rural areas. Only fifty nine percentage of the respondents attend the SHG meetings regularly whereas others do not show much interest in attending meetings, to address these issue the members should be insisted to attend the meetings regularly for better performance. Among the total respondents only forty four percentage of the respondents live in concrete houses whereas other live in hut and other type of house. Hence they can be insisted to use the loan amount for improving their dwelling place. Twenty nine percentages of the respondents do not show interest in getting loan through microfinance. Hence the importance of microfinance and benefits of it should be educated to them. Only seventeen percentages of the respondents take loan for micro-entrepreneurial purpose and others take the loan for household, education, marriage and agriculture purpose. So they should be encouraged to start entrepreneurial activities. Eleven percentage of the respondents show less interest in repaying the loan regularly and hence they should be monitored for the regular repayment of loan amount. Only thirty percentages of the respondents are the self-beneficiaries of the micro credit whereas others use the amount for the benefit of their spouse, children and other family members. Hence they should be educated to use the amount for self-utilization and self-development. Only twenty two percentage of respondents join SHG to take loan for the purpose of micro-enterprise whereas others have various other reasons like increase income, change their poverty, child education/marriage, savings/deposits and to acquire assets. Hence SHGs should be focused towards entrepreneurial purpose. Spouse occupation wise the respondents differ in their economic, social, psychological and political empowerment level. It shows that respondents whose spouse occupation is daily labor and agriculture are more empowered in economic, social, psychological and political aspects when compared others. Hence the respondents from other sectors should be focused to make them much empowered. There is significant difference between income generation, contribution to house hold income, participation in house

hold financial decision, and improvement in standard of living before and after microfinance. Hence a regular monitoring and follow up of micro credit activities and motivating them to start a micro-enterprise will greatly influence the economic empowerment of women and also help in eradication of poverty.

There is significant difference between change in social status, awareness about social issues, and involvement in social issues at locality before and after microfinance. So the group members should be encouraged to actively take part in various social activities which will bring a definite improvement and change in their social status. There is significant difference between improvement in basic house hold facilities, ability to solve family related problems before and after microfinance. Hence microfinance enhances the women to be empowered in familial aspects. The SHG members should be involved group activities which will improve their familial/interpersonal capability. There is significant difference between attainment of knowledge and skills, decision making capability and ability to tackle family problems before and after microfinance. Since most of the members have education only up to schooling level, educational programs can be conducted which in turn will further empower them psychologically.

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