

A SOCIO, ECONOMIC IMPACT IN SHREE KSHETHRA DHARMASTHALA RURAL DEVELOPMENT PROJECT ON SELF HELP GROUP THROUGH WOMEN EMPOWERMENT W.R.T KOLLEGAL TALUK CHAMARAJANAGAR DISTRICT

Mr. Darshan A¹, Mrs Vidya R²

¹4th Sem Student, Department of MBA, Dr. Ambedkar Institute of Technology, Bangalore India.

²Assistant Professor, Department of MBA, Dr. Ambedkar Institute of Technology, Bangalore, Bangalore India.

DOI: <https://www.doi.org/10.58257/IJPREMS36248>

ABSTRACT

Self-Help Group (SHG) is a small, informal group of individuals, typically women of socio-economic backgrounds, who come together to collectively save money, access microcredit, and improve their financial and social well-being. SHGs enable members to pool resources, support each other, and engage in activities like savings, loans, and entrepreneurship. Beyond financial empowerment, SHGs help women gain confidence, take leadership roles, and challenge traditional gender norms, contributing to both economic independence and social change within their communities.

This study explores the socio-economic impact of the Shree Kshethra Dharmasthala Rural Development Project (SKDRDP) on women's empowerment in Kollegal Taluk, Chamarajanagar District, focusing on Self-Help Groups (SHGs). SHGs provide women with access to microcredit, savings programs, and skill development, helping to break cycles of poverty and gender inequality. Through surveys, interviews, and field observations, the research evaluates both the financial and social impacts of SHG participation. Key outcomes include improved household incomes, better savings habits, and greater access to financial resources. Many women reported increased confidence in managing financial decisions and more active roles in household governance, reflecting a shift in traditional gender roles. SHG participation also fostered entrepreneurial activities, especially in agriculture and small businesses, contributing to women's economic independence.

Despite these positive outcomes, the study identifies challenges like social stigma, family restrictions, and limited financial literacy, which hinder full empowerment. The study offers recommendations for policymakers, NGOs, and financial institutions to enhance SHG effectiveness and maximize their impact on rural women's empowerment, particularly in economically disadvantaged regions like Kollegal.

Keywords: Women Empowerment, Self-Help Groups, Economic Independence, Sustainable Development.

1. INTRODUCTION

Rural women in India face socio-economic challenges like limited financial access, education, and decision-making roles, leading to marginalization. Self-Help Groups (SHGs) have become crucial in promoting their development, particularly through the Shree Kshethra Dharmasthala Rural Development Project (SKDRDP) in Karnataka, initiated in 1982. This study examines the impact of SKDRDP's SHGs in Kollegal taluk, Chamarajanagar District, the role is enhancing women's economic independence, entrepreneurship, and decision-making. It also explores challenges like social stigma, lack of training, and loan repayment ability, offering insights for improving SHG strategies.

Need for the study

This study addresses the ongoing challenges of poverty, gender inequality, and limited access to resources in rural Karnataka, despite various development efforts. Self-Help Groups (SHGs) have been promoted as a key solution to empower marginalized women through collective action and financial inclusion. However, their impact on community empowerment varies due to factors like socio-economic conditions, cultural norms, and support systems. The study aims to how SHGs contribute to community empowerment and the factors influencing their success or limitations in Karnataka.

This study examines the economic and social empowerment of rural women through SHGs, focusing on how SKDRDP's initiatives improve income, savings, credit access, and entrepreneurship. Beyond financial benefits, it analyzes the social transformation in terms of decision-making, leadership, and self-confidence, especially in regions with deep-rooted gender roles like Kollegal. By addressing challenges such as social stigma, lack of training, and limited market access, the research aims to provide recommendations for enhancing SHG effectiveness. The findings will help refine policies for empowering rural women and promote sustainable development in rural India.

1.5 Objectives of the study

1. To identify the role in SHG's participation in the development of women empowerment
2. To assess the economic benefits of SHGs on women's income, savings, and entrepreneurship.
3. To analyze how SHGs empower women socially by enhancing leadership, and decision-making.
4. To provide insights to improve policies and programs for women empowerment and sustainable rural development.

Hypotheses of the study

1. H_{10} : There is no significant association in the socio-economic status of women before and after joining the self-help Group. ($\mu_1=\mu_2$)
2. H_{11} : There is a significant association in the socio economic status of women before and after joining the self-help Group. ($\mu_1\neq\mu_2$)
3. H_{20} : There is no significant association between the purpose of loan barrow and repayment ability in self-help group.
4. H_{21} : There is significant association between the purpose of loan barrow and repayment ability in self-help group.
5. H_{30} : There is no significant association between economically empowered after joining and loan amount availed.
 H_{31} : There is significant association between economically empowered after joining and loan amount availed.

Limitations of the study

- The study focuses only on Kollegal, so results may not apply to other regions.
- Limited access to 100 SHG members accurate data in rural areas could affect the study's accuracy.
- Measuring social empowerment, like confidence and leadership, is subjective and hard to quantify.

2. REVIEW OF LITERATURE

Manjunath, V. (2024) in his study "Self-Help Groups (SHGs) in Rural Development: A Case Study of SKDRDP in Kollegal Taluk". To evaluate the impact of Self-Help Groups (SHGs) on rural development in Kollegal Taluk, with a focus on their contributions to infrastructure and community projects, and to explore the potential benefits of partnerships between SHGs and local governments in enhancing development outcomes. **Naveen, R. (2023)** in his study "Women's Financial Autonomy through SHG Membership in Kollegal Taluk". To assess the changes in women's financial autonomy as a result of Self-Help Group (SHG) participation in Kollegal Taluk by comparing pre- and post-SHG involvement data. The study also aims to identify gaps in existing research and recommends expanding digital banking services to further enhance financial inclusion for SHG members. **Dinesh, P. (2022)** in this study "The Effectiveness of SKDRDP in Alleviating Rural Poverty in Kollegal". To measure the effectiveness of Self-Help Group (SHG) programs, under the SKDRDP initiative, in reducing rural poverty in Kollegal through quantitative analysis of poverty data and SHG membership records. The study also aims to identify research gaps and recommends expanding financial literacy programs to further enhance the impact of poverty alleviation efforts. **Dr. Shailaja M L (2018)** in the study "The role of Self Help Group towards inclusive growth in uplifting the Socio economic conditions of underprivileged class of the society." The study provides a significant contribution to the literature on the role of SHGs in fostering inclusive growth. The study addresses how SHGs act as vehicles for economic and social empowerment, particularly for marginalized and underprivileged sections of society. The findings of the paper contribute to the growing body of literature that emphasizes the transformative role of SHGs in empowering underprivileged communities, especially in rural areas. It highlights the critical role SHGs play in inclusive growth, not just through economic upliftment but also through fostering social empowerment. **Dr Shailaja M L, Dr K Nirmala, Vidya R (2016)** in their study "Self Help Groups (SHGs) – A Complete Understanding". This study emphasizes SHGs as critical grassroots-level institutions that promote financial inclusion, enhance social capital, and empower marginalized sections, especially women. Various scholars have explored how SHGs facilitate access to credit and savings, thereby improving the economic conditions of members. Study have also documented how SHGs serve as platforms for capacity-building and leadership training, preparing women for active participation in civic life and governance. However, some literature points out challenges such as the sustainability of SHGs and their dependency on external support from government or NGO's.

Types of research

This descriptive research study on "A Socio-Economic Impact on SKDRDP on Self-Help Groups through Women Empowerment in Kollegal Taluk, Chamarajanagar District" aims to systematically analyze the current socio-economic conditions of women involved in SHGs. It will assess key factors like household income, savings, and access to credit using surveys and questionnaires, both before and after the project's implementation. Additionally, the study will evaluate the social impact, focusing on decision-making capabilities, leadership roles, and participation in community development activities.

Population and sample size

The study focused on the Self Help Groups (SHGs) in Siddhayanapura, a sector with a population has been approximately 2,729. To ensure accessibility and understanding, data collection was conducted. This sample size of 100 respondents was deemed appropriate to achieve reliable results based on the research objectives and the overall population.

Sampling Method: Purposive sampling method is used where SHG members are been chosen for the survey

Statistical tools and techniques

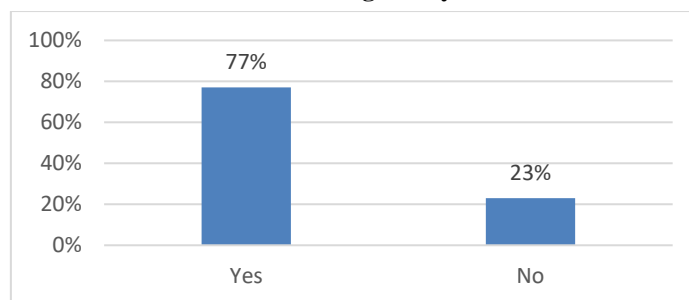
The data is analyzed by using SPSS and Excel software. The tools used for this study are t-test, Chi-square, Chi-square for identifying the association between variables considered for this study.

Data analysis and interpretation

Table.1 showing improvement in the decision-making ability in their household financial matters?

Improved your decision-making	no. of respondents	percentage
Yes	77	77%
No	23	23%

4.16 Graph showing improvement in the decision-making ability in their household financial matters?



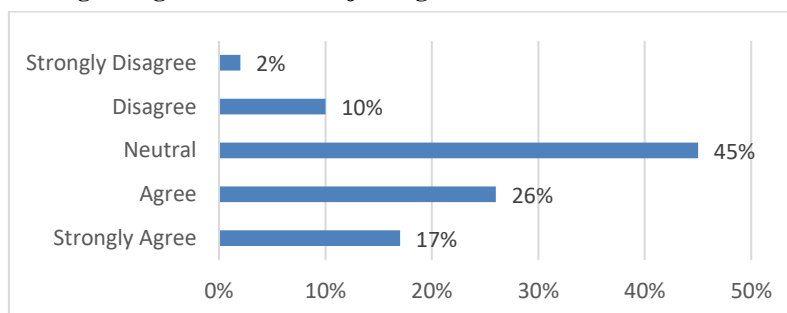
Interpretation

The above graph highlights a positive impact of SHG membership on women's roles in household financial decision-making. Most participants feel that their involvement in SHGs has enhanced their ability to make financial decisions which showcase that its increased confidence and participation in critical family matters through financial support.

Table.2 showing, opinion regarding economic empowered after joining the SHG?

Economically empowered after joining the SHG	no. of respondents	percentage
Strongly Agree	17	17%
Agree	26	26%
Neutral	45	45%
Disagree	10	10%
Strongly Disagree	2	2%

Graph showing, opinion regarding economic after joining the SHG?



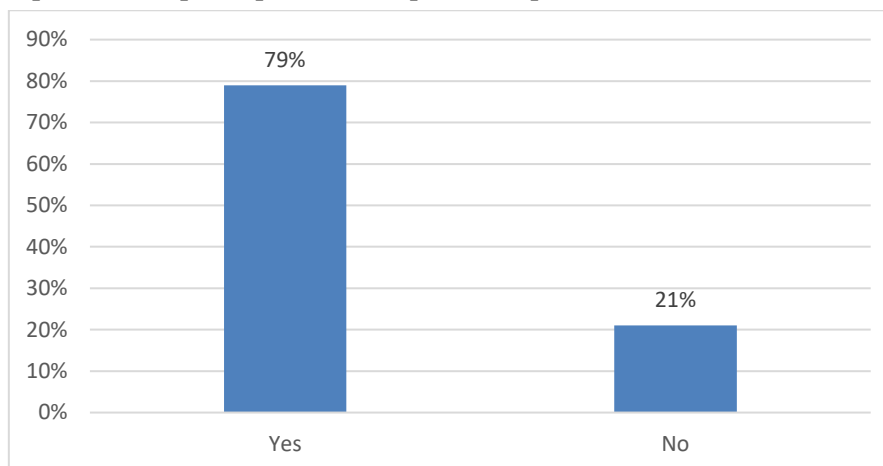
Interpretation

The analysis indicates mixed perceptions of economic empowerment among SHG members. While many feel empowered, a significant portion remains neutral, suggesting that the full impact of SHGs on financial circumstances may take time or vary by individual. A small percentage feel disempowered, highlighting areas where SHG programs could improve to achieve more consistent outcomes.

Table.3 showing impact in SHG participation has improved respondents overall standard of living?

SHG participation has improved your overall standard of living	no. of respondents	percentage
Yes	79	79%
No	21	21%

Graph showing impact in SHG participation has improved respondents overall standard living?



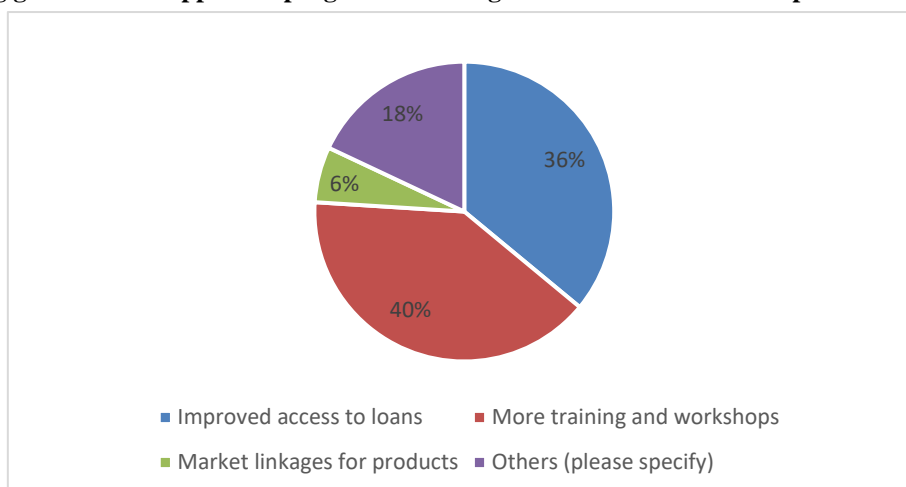
Interpretation

The analysis indicates that SHG participation is largely perceived as beneficial to improving the overall quality of life for most respondents. This suggests that SHGs may play a significant role in enhancing economic and social well-being. However, a minority of participants do not share this view, indicating that further improvements or targeted interventions may be needed to ensure more widespread benefits.

Table.4 showing government support or programs to strengthen SHG activities in respondents region?

Government support or programs on SHG activities	no. of respondents	percentage
Improved access to loans	36	36%
More training and workshops	40	40%
Market linkages for products	6	6%
Others (please specify)	18	18%

Graph showing government support or programs to strengthen SHG activities in respondents region?



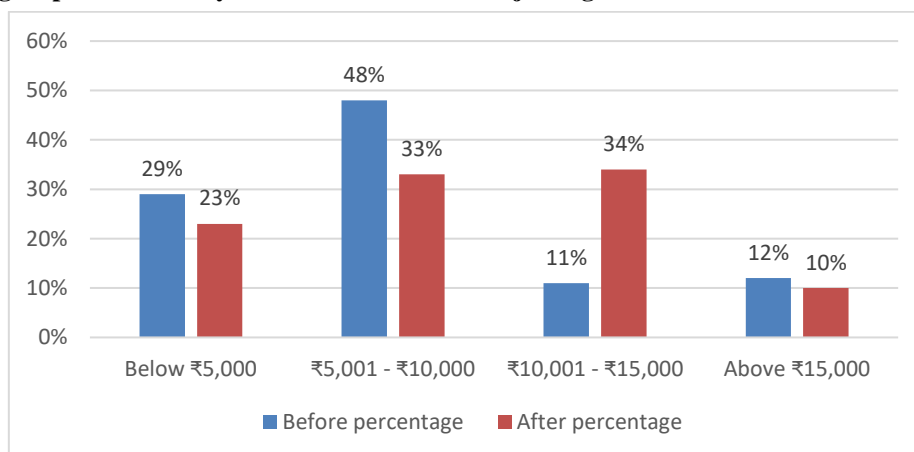
Interpretation

The analysis indicates a clear majority preference for capacity-building measures like training and workshops to enhance SHG effectiveness. Access to loans is also important for empowering members to grow their initiatives. While fewer respondents prioritized market linkages, they remain important for strengthening SHG activities. Diversified support can address the varying needs within SHGs and boost their overall impact.

Table.6 showing responses monthly income before and after joining the SHG

Monthly income before joining the SHG	Before		After	
	no. of respondents	percentage	no. of respondents	percentage
Below ₹5,000	29	29%	23	23%
₹5,001 - ₹10,000	48	48%	33	33%
₹10,001 - ₹15,000	11	11%	34	34%
Above ₹15,000	12	12%	10	10%

Graph showing responses monthly income before and after joining the SHG



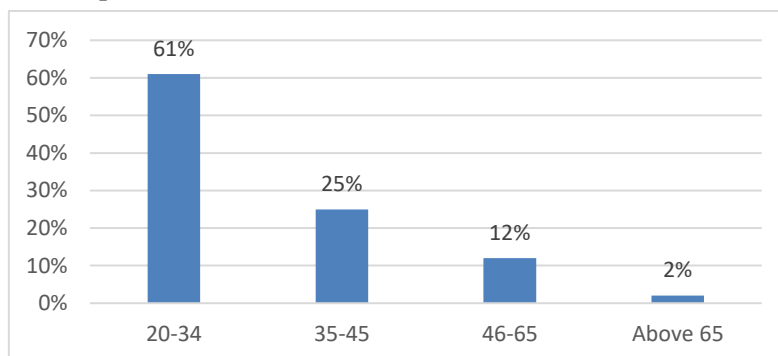
Interpretation

The shift in income brackets suggests that joining the SHG had a positive impact on participants earnings. While fewer people remain in the lowest income group, more participants moved into higher income categories, reflecting the potential of SHGs to uplift financial stability for their members.

Table.7 showing age of the respondents:

Age	No. of respondents	Percentage
20-34	61	61%
35-45	25	25%
46-65	12	12%
Above 65	2	2%

Graph showing age of the respondents:

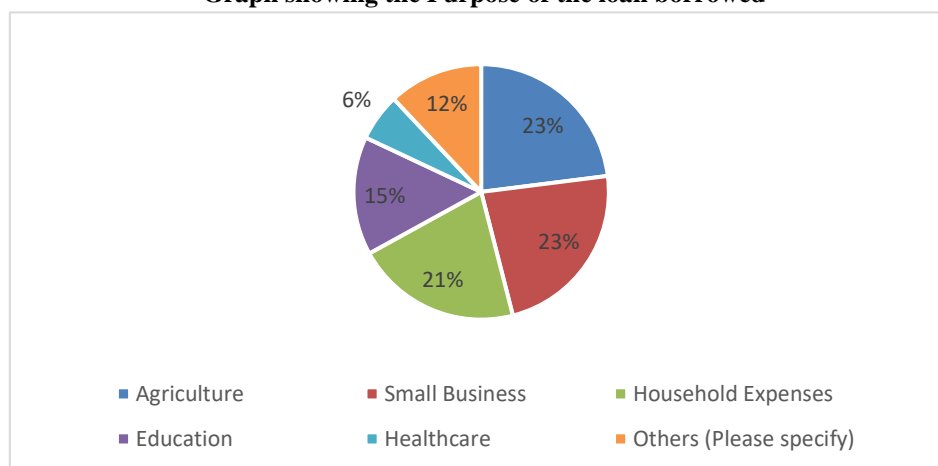


Interpretation

The graph shows that younger women make up the majority of SHG participants, reflecting a high level of engagement from this demographic. As the age increases, participation tends to decline, with fewer middle-aged and older women involved. This suggests that the SHGs are more effective in attracting younger individuals, while participation among older women is relatively low. This could imply that the younger women are more inclined to benefit from the empowerment and opportunities provided by the SHGs.

Table showing the Purpose of the loan borrowed?Purpose of the loan	no. of respondents	percentage
Agriculture	23	23%
Small Business	23	23%
Household Expenses	21	21%
Education	15	15%
Healthcare	6	6%
Others (Please specify)	12	12%

Graph showing the Purpose of the loan borrowed



Interpretation

The table suggests that participants predominantly use loans for income-generating activities like agriculture and small business. A significant portion also allocates loans for essential household needs and educational purposes, reflecting diverse loan utilization patterns. Healthcare is a less frequent reason, possibly indicating alternative sources of support for medical needs. Overall, loans serve both economic activities and personal requirements.

Hypothesis

t-test

1. H0: There is no significant difference in the socio-economic status of women before and after joining the self-help Group.

H1: There is a significant difference in the socio economic status of women before and after joining the self-help Group.

One-Sample Statistics									
			N	Mean	Std. Deviation	Std. Error Mean			
socio economic status before			100	2.2300	.90849	.09085			
socio economic stauts after			100	2.5100	.92654	.09265			
One-Sample Test									
			Test Value = 0						
			t	df	Significance		Mean Difference	95% Confidence Interval of the Difference	
					One-Sided p	Two-Sided p		Lower	Upper
socio economic status before			24.546	99	<.001	<.001	2.23000	2.0497	2.4103
socio economic status after			27.090	99	<.001	<.001	2.51000	2.3262	2.6938
One-Sample Effect Sizes									
					Standardizer	Point Estimate	95% Confidence Interva		
							Lower	Upper	

socio economic status before	standardized mean difference	.90849	2.455	2.059	2.847
	Hedges' Adjusted	.91545	2.436	2.044	2.825
socio economic status after	standardized mean difference	.92654	2.709	2.283	3.132
	Hedges' Adjusted	.93364	2.688	2.265	3.108

Interpretation

The results show very low p-values ($< .001$) for both the socio-economic status before and after joining the Self-help Group. This indicates that the mean socio economic status scores for both measurements are statistically significantly different from the test value of 0. Hence, H_0 is rejected and H_1 is accepted as there is a significant difference in the socio-economic status of women before and after joining the Self-help Group.

Chi-square

2. H_0 : There is no significant difference between the purpose of loan borrow and repayment ability in self-help group.
 H_1 : There is significant difference between the purpose of loan borrow and repayment ability in self-help group.

purpose of the loan borrow

	Observed N	Expected N	Residual
agriculture	23	16.7	6.3
small business	23	16.7	6.3
household expenses	21	16.7	4.3
education	15	16.7	-1.7
healthcare	6	16.7	-10.7
others	12	16.7	-4.7
Total	100		

s

Repayment ability			
	Observed N	Expected N	Residual
yes	47	33.3	13.7
no	18	33.3	-15.3
partially	35	33.3	1.7
Total	100		

Test Statistics		
	purpose of the loan borrow	repayment ability
Chi-Square	14.240 ^a	12.740 ^b
df	5	2
Asymp. Sig.	.014	.002

a. 0 cells (.0%) have expected frequencies less than 5. The minimum expected cell frequency is 16.7.

b. 0 cells (.0%) have expected frequencies less than 5. The minimum expected cell frequency is 33.3.

Interpretation

The p-values for both tests (0.014 and 0.002) are below the common significance level of 0.05. This indicates that there is a statistically significant relationship between the purpose of loan borrowing and repayment ability in self-help groups. Hence, accept alternative hypothesis as there is a significant association between the purpose of loan borrowing and repayment ability in self-help groups.

3. H_0 : There is no significant difference association between amount of loan availed and economic empowerment.
 H_1 : There is significant difference association between amount of loan availed and economic empowerment.

Loan amount availed			
	Observed N	Expected N	Residual

less than 10000	24	25.0	-1.0	
10000-20000	18	25.0	-7.0	
20000-50000	17	25.0	-8.0	
above 50000	41	25.0	16.0	
Total	100			
Economic empowerment after joining				
	Observed N	Expected N	Residual	
strongly agree	17	20.0	-3.0	
agree	26	20.0	6.0	
neutral	45	20.0	25.0	
disagree	10	20.0	-10.0	
strongly disagree	2	20.0	-18.0	
Total	100			
Test Statistics				
	loan amount availed		economically empowered after joining	
Chi-Square	14.800 ^a		54.700 ^b	
df	3		4	
Asymp. Sig.	.002		<.001	
a. 0 cells (.0%) have expected frequencies less than 5. The minimum expected cell frequency is 25.0.				
b. 0 cells (.0%) have expected frequencies less than 5. The minimum expected cell frequency is 20.0.				

Interpretation

Both p-values (0.002 for loan amount and < 0.001 for economic empowerment) are below the significance level of 0.05. This indicates a statistically significant association between the amount of loan availed and economic empowerment. Hence, accept alternative hypothesis as there is a significant association between the amount of loan availed and economic empowerment.

4. FINDINGS

- SHG membership significantly improved the socio-economic status of women. Most participants reported an increase in their household income after joining SHGs, with many moving from the lower-income bracket to a more stable middle-income range
- SHGs contributed to increased savings and access to credit, enabling members to take loans for small businesses and agriculture. A notable 70% of participants availed loans, and 34% reported a household income between ₹10,001 and ₹15,000 post-joining, reflecting the economic benefits of these groups.
- An impressive 77% of participants have experienced an enhanced role in household financial decision-making, demonstrating the positive impact of SHGs on women's leadership.
- A significant 61% of SHG participants are aged between 20-34, showing that younger women are the primary beneficiaries of SHG activities, which could result in long-term socio-economic improvements.

5. CONCLUSION

The study shows that Self-Help Groups (SHGs) have significantly empowered rural women, boosting household income, savings, and access to credit for small businesses and agriculture. Women also gained a stronger role in household decision-making, indicating a shift in gender dynamics. However, challenges remain, particularly with loan repayment and financial literacy. Social barriers like family restrictions and cultural norms still hinder full participation. While SHGs are effective, more targeted interventions, such as financial literacy programs and efforts to reduce social stigma, are needed to ensure equitable benefits for all participants.

6. SUGGESTIONS

- Implement comprehensive skill development programs tailored to local market needs to empower women in enhancing economic activities and income levels.
- Financial institutions should offer more flexible loan products designed specifically for SHG members to improve access to loans.
- Community awareness programs are essential to combat social stigma and family restrictions, promoting a supportive environment for women's participation in SHGs.
- Organizing community events showcasing SHG achievements can foster greater community involvement and enhance the effectiveness of SHG activities.
- Leadership training within SHGs is crucial to enable women to take on significant decision-making roles in both households and community development.

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