



# CHANGING INVESTMENT AND ASSET CREATION PATTERN OF MUSLIM WOMEN IN SHG GROUPS IN DAKSHINA KANNADA - AN EVALUATION

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## ABSTRACT

*An assessment of the evolving asset-creation and investment habits of Muslim women in Dakshina Kannada, India's Self-Help Groups (SHGs) is presented in this article. The study is to examine the income, spending, savings, and investment flow in asset building and income-generating activities among SHG members with a focus on the economic empowerment of women through SHG initiatives. Using structured questionnaires and in-person interviews, primary and secondary data are gathered as part of the study technique. The results underline the importance of empowerment as a means of bringing about social change and show the beneficial effects of SHGs on Muslim women's savings and financial independence. The report offers insightful analysis and helpful suggestions for fostering the expansion of SHG projects to further empower women economically.*

## INTRODUCTION

Women bear an unequal share of the burden of poverty globally, due to societal and structural inequality. Fewer girls are enrolled in school than boys, resulting in more than two-thirds of the world's illiterate adults are being women (Geethanjali R and Prabhakar K, 2013). Women experience unequal access to healthcare starting from birth and throughout their reproductive years (Manjunatha s, 2013) and are conspicuous by their absence from all levels of government – local, regional and national. ([www.selfhelpgroups.com](http://www.selfhelpgroups.com))

Women also have limited economic freedom. In many countries, women may not own land. In South and Southeast Asia, women comprise more than 60 percent of the agricultural labor force, but in India, Nepal and Thailand, for example, less than 10 percent of women farmers own land (Shakila Azhim, 2013). These facts describe the 'feminization of poverty', a phrase that captures women's unequal share of poverty in terms of wealth, choices and opportunities (Kappa Kondal, 2014)

Governments, development agencies and grassroot level women's groups have tried to address these inequalities and achieve women's empowerment through women's self-help group (SHG) programs. The basic assumptions of these income-generating programs are giving women access to working capital and technical support, such as training, can increase their ability to 'generate choices and exercise bargaining power as well as develop a sense of self-worth, a belief in one's ability to secure desired changes, and the right to control one's life' (Shreeshha E, 2019). SHGs could facilitate these goals and improve women's empowerment through the development of social capital and the mobilization of women (Masouda Sarwari, 2021).

Many perspectives, definitions, measures and outcomes have been associated with women's empowerment, a term that has been used interchangeably with others, such as autonomy, status and agency. The concept also has been measured in different ways; for example, women's autonomy has been measured by assessing the degree to which women participate in decision-making in their households (UNESCO 2007) or concerning their mobility (WHO 2003). Another challenge in defining and measuring women's empowerment is the variations in socio-cultural contexts that affect how it may occur. Mobility could be a central issue to women's empowerment in one setting and a peripheral issue in another.

Much of the research suggests that empowerment is a process and an outcome that can occur at multiple levels and have different dimensions.

After the 1994 International Conference on Population and Development in Cairo, the United Nations released a paper that delineated five major components of empowerment: women's sense of self-worth; women's right to have and to determine choices; women's right



to have access to opportunities and resources; women's right to have the power to control their own lives, both within and outside the home; and women's ability to influence the direction of social change to create a more just social and economic order, nationally and internationally.

In recent years, the developing world has seen an increased focus on institutionalizing women's groups with economic objectives as a key channel to improve women's empowerment and economic outcomes (Diaz Martin L et.al. 2020, Garima Siwach et.al 2022).

Self Help Groups are considered one of the most significant tools in the participatory approach for the economic empowerment of women. It is an important institution for improving the life of women on various social components. The basic objective of SHG is that it acts as a platform for members to provide space and support to each other. SHGs comprise very poor people who do not have access to formal financial institutions. It enables its members to learn to cooperate and work in a group environment<sup>1</sup>. Today, in India, Self Help Groups (SHGs) represent a unique approach to financial intermediation. This combines access to low-cost financial services with a process of self-management and development for the women who are SHG members. SHGs are formed and supported usually by Non-Governmental Organizations or Government agencies that are linked to banks but also to wider developmental programs. SHGs are seen to confer many benefits, both economic and social. SHGs enable women to grow their savings and access credit which banks are increasingly willing to lend. SHGs can also be community platforms from which women become active in village affairs, stand for local elections to take action to address social issues<sup>2</sup>. In India, before introducing this scheme for rural women was largely negligible. But in recent years the most significant emerging system called Self Help Group is a breakthrough in improving the lives of womenfolk and alleviating rural poverty. However, the significant success of several SHGs shows that the rural poor are indeed efficient to manage credit and finance. Women's participation in Self Help Groups have created a tremendous impact on the life pattern and style of poor women and have empowered them at various levels not only as individuals but also as members of the family members of the community and society as a whole. They come together to solve their common problems through self-help and mutual help. The more attractive scheme with less effort is the "Self Help Group" (SHG). It is a tool to remove poverty and improve women's entrepreneurship and financial support in India.

SHGs have an in-built mechanism where the emphasis has been given to the capacity building of women through developing their communication skills. An SHG functions through its regular meetings, where members perform transactional activities and discuss different related issues. This discussion among the group members is the means through which they give voice to their needs and it proves to be a platform for addressing their social and economic problems and enlightening their inner selves as well. The 'Self-help Groups' provide economic benefits in certain areas of the production process by undertaking common action programs, like a cost-effective credit delivery system, generating a forum for collective learning with rural people, promoting democratic culture, fostering an entrepreneurial culture, providing a firm base for dialogue and cooperation in programs with other institutions, possessing credibility and power to ensure participation and helping to assess an individual member's management capacity (Fernandez, 1995). Self Help Groups enhance the equality of status of women as participants, decision-makers and beneficiaries in the democratic, economic, social and cultural spheres of life. The SHGs have inculcated great confidence in the minds of women to succeed in their day-to-day life (Jain Ritu et.al, 2003).

According to many disciplines, empowerment describes the freedom of a person in social, political and economic matters. Women empowerment is a comprehensive and much-debated issue, it's a dynamic and multidimensional process<sup>5</sup>. Women in general are the most disadvantaged people in the rural regions of India. Even though women largely participate in economic activities, mainly the agriculture sector, and other sectors in the economy.

## REVIEW OF LITERATURE

**Purina Chandra Parida and Anushree Sinha (2010)** in their study titled "Performance and Sustainability of Self- Help Groups in India: A Gender Perspective" explored the performance and sustainability of this type of program in India at the group level. Because income-generating activities and other characteristics vary with the gender composition of self- help groups, their performance and sustainability vary. The analysis in this study was based on the data from a survey carried out in six states in India. The performance analysis revealed that all female self- help groups perform best. The female self- help groups were doing particularly well in terms of recovery of loans and per capita saving. The econometrics results indicated that all female self- help groups are sustainable. The factors that determine the sustainability include recovery of loans, per capita savings, and linkage with an self- help group federation.

**M Aruna and Ms. Hema Jyothirmayi (2011)** in their study titled "The role of microfinance in women empowerment: A study on the SHG bank linkage program in Hyderabad (Andhra Pradesh)" analysed the empowerment of women through SHG Linkage programme



in Hyderabad. The objective of the study analysed the relationship between SHG bank Linkage programme participation and women empowerment. A sample of 300 respondents comprising of 150 female participants of SHG who awaited microfinance loan and another 150 female participants were not. The study finds that SHG participants improved the income level of the respondents. It is concluded that Microfinance activities and SHG participation has a positive impact on all the levels of the participants.

**Dr Uma Narang (2012)** in her research titled “Self help group: An effective approach to women empowerment in India” examined the women empowerment through self- help groups and also explained the current position of women empowerment in India. This study included only the conceptual part. So only the secondary data is analysed. It is concluded that to reduce poverty by enabling the poor household to access gainful self employment and skilled wage employment opportunities, resulting in appreciable improvement in their livelihood on a sustainable basis, through building strong grass-root institutions for the poor (SHGs) is the main motive of the most of the employment schemes. Thus self- help groups have been showing the way ahead to alleviate the poverty of India along with women empowerment.

**Dr S.Ganapathy and C. Mayilsamy (2013)** in their study titled “Empowering Women through Self-Help Groups” revealed that the self- help groups had greater impact on both economic and social aspects of the beneficiaries. From the assessment of various criteria’s of empowerment (power, autonomy and self-reliance, entitlement, participation and awareness and capacity-building), the study suggested that if women participating in the microcredit programme through self- help groups sustain for some longer period, such programme might contribute to higher level of women’s empowerment than other type of control group.

**Dr. R. V. Tehra (2014)** in his research titled “An Empirical Case Study of Women Self Help Group (SHG) functioning in Nanded City”. Study revealed that functions of self- help groups has a positive impact on self -help group members. A Sample of 100 self- help group members were interviewed in Nanded City and purposive sampling method was adopted for the study. However self- help group work for BPL groups.

**Satish Kumar & Dr. H.G.Joshi (2015)** in their study titled “Economic empowerment of women through self help groups in India: An Empirical Study from Belthangady taluk, Karnataka” focused on the impact of economic empowerment of women in rural areas and also the social empowerment. Totally 42 respondents were selected and data was collected through structured questionnaire. The study observed that institutional intervention of self- help groups improved the status of rural women and also their participation in the local community.

**Dr Ranganath G (2020)** in his study titled "Economic Empowerment of Women through Self Help Group in India" examined that empowerment was an active, multidimensional process which should enable women to realise their full identity and power in all spheres of life. The study was descriptive in nature and main emphasis on economic empowerment of women through self- help groups in Indian Economy. It was concluded that empowerment was a vehicle of change for the society as a whole.

## OBJECTIVES OF THE STUDY

1. To analyse the income, expenditure and savings pattern of the Self Help Groups members.
2. To assess the flow of investment in asset creation and income generating activities.

## RESEARCH METHODOLOGY

The present research is based on both primary and secondary data. Primary data is collected through personal interviews. Secondary data also plays a significant role in the analysis and outcome of the empirical Study (Adhikari, 2011, Masouda Sarwari, 2021). The structured questionnaire was prepared in English and was translated into the Kannada language considering the language constrain of the respondents. A pilot test was carried out in Belthangady Taluk among 30 Muslim women respondents.

**Table 1**

KMO and Bartlett's Test for Women Empowerment		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy		0.873
Bartlett's Test of Sphericity	Approx. Chi-Square	2532.466
	df	105
	Sig.	0.000

**Table 2: Paired Sample Test Statistics**

		Mean	N	Std deviation	Std. error mean
Pair 1	Monthly savings upto Rs.100 before	1.96	100	.639	.062
	Monthly savings upto Rs.100 after	2.32	100	.379	.036
Pair 2	Monthly savings of Rs.101 -150 before	1.74	100	.742	.050
	Monthly savings of Rs. 101 - 150 after	2.39	100	.761	.036
Pair 3	Monthly savings of Rs.151 - 200 before	3.69	100	.721	.038
	Monthly savings of Rs. 151 – 200 after	2.24	100	.888	.043
Pair 4	Monthly savings of Rs. 201 – 250 before	3.49	100	.743	.039
	Monthly savings of Rs. 201 – 250 after	1.59	100	.680	.034
Pair 5	Monthly savings of Rs. 250 and above before	4.00	100	.796	.040
	Monthly savings of Rs. 250 and above after	2.04	100	.858	.043

**Table 3: Paired Sample Test Result**

		Mean	Std deviation	Std. error mean	T	Df	Sig (2 tailed)
Pair 1	Monthly savings upto Rs.100 before - after	-1.66	1.26	.062	-29.27	99	.000
Pair 2	Monthly savings of Rs.101 -150 before - after	-2.63	1.23	.059	-32.17	99	.000
Pair 3	Monthly savings of Rs.151 - 200 before - after	-1.56	1.71	.037	-16.17	99	.000
Pair 4	Monthly savings of Rs. 201 – 250 before - after	-1.37	1.62	.035	-29.18	99	.000
Pair 5	Monthly savings of Rs. 250 and above before - after	-2.66	1.77	.047	-24.17	99	.000

**ANALYSIS**

The paired t-test was conducted to analyze the impact of joining self-help groups on Muslimwomen. The test result proved a significant difference in the financial independence of Muslim women after joining SHGs (M= 2.32, 2.39, 2.24, 1.59 and SD= .379, .761, .888 and .680). Compared to before joining SHGs (M= 1.96, 1.74, 4,4,4,4 and SD= .639, .742, .721, .743, and .796),  $t(99) = -29.27, -32.17, -16.17, -29.18$  and  $-24.17$   $p < .001$  (two-tailed). Therefore, the null hypothesis is rejected at the (5%) significance level and concludes that Muslim women significantly improved their total savings after joining SHGs.

**Table 4: Paired Sample Test Statistics**

		Mean	N	Std deviation	Std. error mean
Pair 1	Monthly income upto Rs. 5000 before	2.11	100	.738	.037
	Monthly income upto Rs. 5000 after	3.99	100	.765	.039
Pair 2	Monthly income of Rs. 5000 – 10,000 before	2.24	100	.909	.046
	Monthly income of Rs. 5000 – 10,000 after	3.99	100	.793	.040
Pair 3	Monthly income of Rs.10,001–15,000 before	1.89	100	.826	.042
	Monthly income of Rs. 10,001 – 15,000 after	4.04	100	.757	.038
Pair 4	Monthly income of Rs. 15,000 and above before	1.87	100	.711	.036
	Monthly income of Rs. 15,000 and above after	4.09	100	.603	.031

**Table 5: Paired Sample Test Result**

		Mean	Std deviation	Std. Error Mean	T	Df	Sig (2 tailed)
Pair 1	Monthly income upto Rs.5000 before – after	-1.87	1.15	.059	-31.97	99	.000
Pair 2	Monthly income of Rs. 5000 - 10000 before - after	-1.75	1.27	.065	-27.18	99	.000
Pair 3	Monthly income of Rs.10001 - 15000 before - after	-2.14	1.22	.062	-34.58	99	.000
Pair 4	Monthly income of Rs. 15000 and above before - after	-2.21	1.07	.055	-40.61	99	.000

## ANALYSIS

The paired t-test was conducted to analyze the impact of joining self-help groups on Muslim women. The test result proved a significant difference in the financial independence of Muslim women after joining SHGs ( $M = 4, 4, 4$  and  $4$  and  $SD = .765, .793, .757$  and  $.603$ ). Compared to before joining SHGs ( $M = 2.11, 2.24, 1.89$  and  $1.87$  and  $SD = .738, .909, .826$  and  $.711$ ),  $t(99) = -31.97, -27.18, -34.58$  and  $-40.61$   $p < .001$  (two-tailed). Therefore, the null hypothesis is rejected at the (5%) significance level and concludes that Muslim women significantly improved their total income after joining SHGs.

## FINDINGS OF THE STUDY

The key findings of the evaluation of the investment and asset creation pattern of Muslim women in SHG groups in Dakshina Kannada are:

1. The study discovered a substantial difference in Muslim women's financial independence following their membership in SHGs. After joining SHGs, Muslim women's income and total savings increased dramatically.
2. The study also discovered that after joining SHGs, the flow of investment in activities that generate income and assets increased.
3. The findings of the paired t-test indicated that Muslim women's monthly savings significantly increased after they joined SHGs.
4. To combat poverty and empower women, the study emphasizes the significance of creating robust grassroots institutions for the underprivileged, such Self-Help Groups (SHGs).

## SUGGESTIONS

Based on the findings presented in the paper "Changing Investment and asset creation pattern of Muslim Women in SHG Groups in Dakshina Kannada - An Evaluation," the following suggestions can be made:

1. Promote the growth of self-help group (SHG) initiatives: Due to the beneficial effects of SHGs on Muslim women's savings and financial independence, it is necessary to promote and assist the formation of SHGs in other areas in order to economically empower more women.
2. Provide targeted financial literacy and skill-building programs: In order to maximize the impact of SHGs, it's critical to give women the tools they need to manage their investments and savings wisely and to take part in activities that generate income.
3. Strengthen monitoring and evaluation systems: To track the development and effects of SHG programs on women's economic empowerment, it is critical to set up effective monitoring and evaluation systems. This will guarantee the longevity of beneficial results and assist in pinpointing areas that require development.
4. Encourage cooperation with financial institutions: Cooperation with financial institutions can help SHG members get access to loans and other financial services, allowing them to make more investments in ventures that generate revenue and the development of assets.
5. Remove social and cultural hurdles: In order to make sure that the programs are inclusive and supportive of women from a variety of backgrounds, efforts should be taken to remove social and cultural barriers that may prevent women from participating in SHGs and economic activities. By implementing these suggestions, the paper's findings can contribute to the development of effective strategies for promoting the economic empowerment of women through self-help group initiatives.

## CONCLUSION

The study "Changing Investment and Asset Creation Pattern of Muslim Women in SHG Groups in Dakshina Kannada - An Evaluation" concludes by highlighting the benefits of self-help group (SHG) initiatives for Muslim women's savings and financial independence. According to the study, Muslim women who joined SHGs saw a considerable increase in their overall income and savings as well as an



increase in the flow of capital invested in activities that generated revenue and assets. The findings of the paired t-test indicated that Muslim women's monthly savings significantly increased after they joined SHGs.

According to the study's findings, SHGs can be a useful instrument for advancing women's economic empowerment, especially in areas where there are substantial obstacles for women to overcome in order to participate in the economy and obtain financial services. To further increase the impact of SHGs, however, specific programs for financial literacy and skill development should be offered, and systems for monitoring and evaluating progress should be reinforced in order to pinpoint areas in need of improvement. In order to combat poverty and empower women, the study emphasizes the significance of creating robust grassroots institutions for the underprivileged, such as Self-Help Groups (SHGs). Policymakers and practitioners can create effective methods for increasing women's economic empowerment through self-help group initiatives by putting the recommendations made in this study into practice.

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