



THE ROLE OF NGO IN MICROFINANCE THROUGH SHG IN THE UPLIFTMENT OF FLOOD VICTIMS IN KANCHEEPURAM DISTRICT

KEYWORDS

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ABSTRACT

The concept of Micro finance through Self Help Groups promises to deliver poverty alleviation and results in Financial Inclusion. Micro Finance has played a vital role in upliftment of poor. The objective behind is to make the members (women) of self help groups self dependent reliable and confident enough to solve their problems. Through Micro finance women have started contributing economically in their households as well as community. The self help group inculcate the habit of saving among women, so that they can reinvest in entrepreneurial activities. It also gives them entrepreneurial education, thereby seeding widespread entrepreneurial culture around the world. Microfinance has been proposed as a possible solution for the maximum outreach and alleviation of poverty in the rural poor. The object of study is to examine the socio-economic status of women in flood affected area during the period of study and to assess role of NGOs in the upliftment of flood affected SHGs.

INTROUDCITON

Microfinance system is an organized strategy that offers several types of financial services which help in development of rural mass. In India Microfinance activity has been playing an important role for the upliftment of rural poor.

Self Help Group is group of individuals voluntarily formed with 10 to 20members having similar identity, heritage, or occupation for a common cause. The members mutually contribute to the common fund on a regular basis and lend the same to its members for meeting productive needs. The members of Self Help Groups individually and as a group jointly promote industrial ventures. The profit earned from the group activity is shared by its members equally. The role of Self Help Group in the upliftment of families in suffering is much appreciable. SHGs were formed in areas which are in crisis have assisted much to the upliftment of poor who are affected in such crisis. They were called thrift groups in the beginning and Self Help Group at present.

One of such memorable occasion which took place in Kancheepuram district during the last flood is still in the memory of many.

DISTRICT PROFILE

Kancheepuram District is one of the Historical Districts of Tamil Nadu. Welcome to the city of thousand temples. Kancheepuram district is situated on the northern East Coast of Tamil Nadu and is adjacent by Bay of Bengal and Chennai city and is bounded in the west by Vellore and Thiruvannamalai district, in the north by Thiruvallur district and Chennai district, in the south by Villuppuram district in the east by Bay of Bengal.

The district has a total geographical area of 4, 43,210 hectares and coastline of 57 Kms. Kancheepuram, the temple town is the District head quarters. For administrative reasons, the District has been divided into 3 Revenue Divisions comprising of 8 Taluks with 1214 Revenue villages. For development reasons, it is divided into 13 Development Blocks with 648 Village Panchayats.

METHODOLOGY

The study has been selected 25 Self Help Groups and 100 beneficiaries in Kancheepuram district in the state of Tamil Nadu. Maduranthakam, Alandur and soliganallur blocks were selected all these three blocks were situated the river bank of Adayar. These people were badly affected by flood. This paper examines role of NGO through SHGs in the flood affected area and how the microfinance helps to improve the socio economic

condition of this Self Help Groups.

The study has been conducted with the help of both primary and secondary data. Primary data have been collected from the beneficiaries who have availed loans and other benefits through NGOs. Chie-square test, and five point Likert scale have been used and for the primary data collection. Random Sampling Method has been adopted. And for the Secondary data information collected from Women development center and DRDO officials and various NGOs who are in promoting Women SHGs, and Panchayat Level Federation Leaders (PLF) and various web sites.

RESULTS AND DISCUSSION

TRAINING PROGRAMMES CONDUCTED

Women in flood affected area have developed their family and set aside their losses made by flood not alone by joining in the SHG but also under going various training programmes conducted by various agencies. The NGOs sponsoring SHGs with support of the Government of Tamilnadu conducts various skill based and other orientation training to start their industrial activities. And this Training helps them to be bolder to face the challenges. The details of impact of training and the age of the respondent are shown in table 1.

Table: 1 Association between the Age of the respondents and perception towards various dimensions of impact of training among SHG members provided by NGO

S. No	Age	Dimensions of impact of training		Statistical Inference
		Low	High	
1.	Confidence building	n: 35	n: 65	$X^2 = 6.078$ df = 2 P<0.05 Significant
	18 – 27 years	10	20	
	28 – 37 years	12	22	
	38 – 47 years	13	23	
2.	Skill development	n: 25	n: 75	$X^2 = 7.447$ df = 2 P<0.05 Significant
	18 – 27 years	11	21	
	28 – 37 years	8	24	
	38 – 47 years	6	30	
3.	Marketing linkage	n: 55	n: 45	$X^2 = 3.579$ df = 2 P>0.05 Not Significant
	18 – 27 years	10	13	
	28 – 37 years	24	10	
	38 – 47 years	21	22	
4.	Managerial efficiency	n: 34	n: 66	$X^2 = 2.226$ df = 2 P>0.05 Not Significant
	18 – 27 years	08	16	
	28 – 37 years	11	26	
	38 – 47 years	15	24	

5.	Active participation in decision making	n: 20	n: 80	$X^2 = 8.231$ $df = 2$ $P < 0.05$ Significant
	18 – 27 years	08	26	
	28 – 37 years	05	24	
	38 – 47 years	07	30	
6.	Overall level of impact of training	n: 33	n: 67	$X^2 = 9.099$ $df = 2$ $P < 0.01$ Significant
	18 – 27 years	09	11	
	28 – 37 years	11	28	
	38 – 47 years	13	28	

Source: Primary Survey

Chi-square test has been applied to test the above hypothesis. The calculated value of confidence building, decision making, and skill development is significant. Hence it has been inferred that there has been significant association between the age of respondent and confidence building, decision-making, skill development. Table 1 makes clear that the training given by NGOs in flood affected help the SHGs to meet their financial needs.

Managerial efficiency and marketing linkage do not have the significant relationship with type of activity.

IMPACT OF SHGS ON THEIR MEMBERS AFTER FLOOD

The SHG members in flood affected area provided monetary and non monetary benefits its members. The benefits extended include in Table 2 shows confidence building, Skill development and the findings are presented below.

Table 2 One way Analysis of Variance among years of member in SHG of the respondents and perception towards various dimensions of impact of training among SHG members provided by NGO

S. No	Source	Df	SS	MS	\bar{X}	Statistical Inference
1.	Confidence building				G1= 14.5000	$F=3.992$ $P < 0.05$ Significant
	Between Groups	2	14.960	7.480	G2= 14.7949	
	Within Groups	97	731.600	7.542	G3= 15.4815	
2.	Skill development				G1= 14.6765	$F=4.514$ $P < 0.01$ Significant
	Between Groups	2	7.744	3.872	G2= 15.1282	
	Within Groups	97	730.096	7.527	G3= 15.3704	
3.	Marketing linkage				G1= 15.2941	$F=1.629$ $P > 0.05$ Not Significant
	Between Groups	2	9.143	4.572	G2= 14.6923	
	Within Groups	97	705.367	7.272	G3= 15.3333	
4.	Managerial efficiency				G1= 15.3235	$F=3.167$ $P < 0.05$ Significant
	Between Groups	2	2.872	1.436	G2= 15.5641	
	Within Groups	97	834.438	8.602	G3= 15.1481	
5.	Active participation in decision making				G1= 14.8824	$F=4.953$ $P < 0.01$ Significant
	Between Groups	2	10.790	5.395	G2= 15.3590	
	Within Groups	97	549.170	5.662	G3= 14.5556	

6.	Overall level of impact of training				G1= 15.6765	$F=5.410$ $P < 0.01$ Significant
	Between Groups	2	5.464	2.732	G2= 15.1282	
	Within Groups	97	646.096	6.661	G3= 15.3704	

G1= 0-5 years, G2=6-10 years, G3= 11-15 years
 Source: Primary Survey

One way variance analysis is used to verify the significance of the association between Age and Impact of training by NGO. It was found that the impact of training provided by NGOs are statistically significant. Therefore it could be inferred that the overall impact of training provided by NGOs could be increased to all age groups of SHG members. It is observed that the association between members in SHG and the degree of impact of training provided by NGO is statistically significant. It shows that the training provided by NGO through microfinance activities helps the SHG members to improve their socio-economic condition and it leads the overall financial inclusion.

CONCLUSION

The active role played by NGO with the assistance of Govt. of Tamilnadu in assisting SHG members through microfinance activities in the flood affected area has wiped the hard tears of those who have been wounded by flood. Through SHGs, it is easy to approach the rural people. But the role the NGOs played in the upliftment of people in flood affected areas are not forgettable one.

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