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Social Science

SELF-HELP GROUPS : AN EFFECTIVE APPROACH TO WOMEN EMPOWERMENT IN INDIA

KEY WORDS: Women, Empowerment, Poverty Alleviation Programmes, SHGs

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ABSTRACT

The concept of Self-Help Group has its roots in rural areas and it has been mooted along the rural semi-urban women to improve their living conditions. Today Self-Help Groups (SHGs) play a major role in poverty alleviation in rural areas. In India, this scheme was implemented with the help of NABARD as a main nodal agency in rural development. It is a self employment generation scheme especially for rural women, who do not have their own assets. The word 'Empowerment' means giving power. According to the International Encyclopaedia (1999), power means having the capacity and the means to direct one's life towards desired social, political and economic goals or status. Empowerment of women is not just a goal in itself, it is a key to all global development. Empowerment is an active multi-dimensional process to enable women to realize their identity and power in all spheres of life. This paper examines the women empowerment through SHGs and also explains the current position of women empowerment in India

1. INTRODUCTION

Women constitute around fifty per cent of the total human resources in India. In the early decades, the concept of women development was totally out of mind and their conditions were miserable. But with the changed scenario, the thinking of people has changed due to education, awareness and how the problems of women are looked upon the problems of social welfare and are considered more seriously and ultimately solved in the form of other way round particularly in more than 15 more years ago. Due to the development of new policies, programmes and even projects, the status of women has totally changed as they provide assistance to the low income women. The empowerment approach is the most recent and is aimed to empower women through greater self-reliance and internal strength.

2. Objectives of the Study

1. To know the women empowerment through SHGs.
2. To explain the current position of women empowerment in India.
3. To offer suggestions to quicken the process of women empowerment.

3. Brief Review of Literature

A brief review of studies on the issue has been made in the following passages.

Saravana (2016) in his paper entitled, "An Impact of Self-Help Groups on the Socio-Economic Development of Rural Household Women in Tamil Nadu - A Study" observed that women empowerment is a process in which women challenge the existing norms and culture, to effectively promote their wellbeing. The participation of women in Self-Help Groups (SHGs) made significant impact on their empowerment both in social and economic aspects. This study addresses women empowerment through SHGs in Tamil Nadu. SHGs have greater impact on both economic and social aspects of the beneficiaries, the author argued.

Narang (2012) in her article, "Self-Help Groups: An Effective Approach to Women Empowerment in India", stated that, the concept of SHGs has its roots in rural areas and it has been noted along the rural and semi-urban women to improve their living conditions. Though it is applicable to men in our country, but it has been more successful only among women and they can start economic activities through SHG movement. In India, this scheme is implemented with the help of NABARD as the main nodal agency in rural development. It

is Self-Employment Generation Scheme especially for rural women, who do not have their own assets. The word 'Empowerment' means giving power. According to the International Encyclopaedia (1999) power means having the capacity and the means to direct one's life towards desired social, political and economic goals or status. Empowerment provides a greater access to knowledge and resources, more autonomy in decision making, greater ability to plan lives, more control over the circumstances which influence lives and freedom for customs, beliefs and practices. This paper examines the women empowerment through SHGs and also explains the current position of women empowerment in India.

A paper entitled "Empowerment of Self-Help Groups (SHGs) towards Micro-Enterprise Development" by Suprabha (2014) stated that the main thrust of micro finance in medium and long term perspectives should be empowerment of the SHG members to enable them to undertake income generating micro-enterprises on a viable and sustainable basis. The paper aims at examining empirically the determinants of empowerment of SHGs as micro finance clients to micro-enterprise investors and problems faced by them in this transition as well as its undertaking micro-enterprises in a viable and sustainable basis. This attempted to construct a consolidated empowerment index of SHGs based level of institutional and financial performance of the SHGs, to determine the relative importance of various determinant factors by using correlation matrix and regression model.

In his paper entitled "Problems of Self-Help Groups: A Micro Study", Mishra (2016) stated that SHGs are instrumental for rural development, but are facing numerous problems. These problems include marketing, finance, quality product, infrastructure and facilitator support. Hence, certain suggestions like provision of adequate marketing facilities, effective supervision and monitoring of investment activities are made. Further, strong political will and inspection of the end use of the loan are prescribed to sort out the above mentioned problems such that SHG beneficiaries will flourish and which will lead to rural development.

In an article entitled "Self-Help Groups: A Tool for Sustainable Development", Juja (2014) analyzed that micro finance is being considered as a very powerful tool for uplifting the Self-Help Groups in Bangladesh by Mohammad Yunus through Grameena Bank which was established in 1976. National Bank for Agricultural and Rural Development (NABARD) launched

a pilot phase of Self-Help Group Bank Linkage Programme in 1992. SHGs are voluntary group of persons having similar economic and social background formed on the basis of co-operation. The author argued that SHGs occupy a crucial role in the process of women empowerment and it is instrumental for socio-economic development of the poor people in the rural areas.

A paper entitled "Self-Help Groups (SHGs) - A Complete Understanding" by Shailaja *et al.* (2016) held that poverty is one of the major problems in India. It is the root cause of many socio-economic problems including population explosion, unemployment and labour and rising graph of crimes. In her view, poverty alleviation should be the main target of the nation, so as to make it a prosperous and developed country.

4. The Paper Scheme

After a brief introduction, the objectives are stated, a brief review of studies is carried, issues related to Women Empowerment are briefly dealt with prior to a formal conclusion at the end.

5. Women Empowerment

Empowerment is a process of awareness and capacity building leading to greater participation, greater decision making power and control and transformative action. Empowerment of women signifies harnessing women power by concretising their tremendous potential and encouraging them to work towards attaining a dignified and satisfying way of life through confidence and competence as person with self respect rights and responsibilities.

Empowerment is a concept was introduced at the International Women's Conference at Nairobi in 1985. The conference defined empowerment as "A Redistribution of Social Power and Control of Resources in favour of Women". It is the process of challenging existing power relation and of gaining greater control over the sources of power.

Empowerment is a multi-faced process, which encompasses many aspects i.e., enhancing awareness increasing access to resources of economic, social and political etc. In recent years, women empowerment has become a subject of great concern for the nations all over the world especially in poor and developing countries. Women empowerment refers to an increase in the strength of women such as spiritual, political, social or economic. The most common explanation of 'women empowerment' is the ability to exercise full control over one's actions.

6. Women Empowerment in India

The year 2001 has been declared by the Government of India as 'Women's Empowerment Year' to focus on a vision where women are equal partners like men. Because the Constitution of India grants equality to women in various fields of life, women of today are not like in the early days. Now, they are always ready to come forward and want more economic independence, their own identity, achievements, equal status in the society and greater freedom. The Government of India has provided for Self-Help Groups (SHGs) to them so that proper attention should be given to their economic independence through self employment, entrepreneurial development and well being that ultimately leads to its economic development of a country.

7. Self-Help Groups

The origin of SHGs is the brain child of Gramin Bank of Bangladesh which was founded by an economist, Mohammad Yunus of Chittagang University in the year 1975. This was exclusively established for the poor. Women and SHGs in many parts of the country have achieved success in bringing the women to the main stream of decision making. The SHG in our country has become a source of inspiration of women's welfare. Formation of SHG is a viable alternative to achieve the

objectives of rural development and to get community participation in all rural development programmes. To alleviate the poverty and to empower the women, the micro-finance, SHGs and credit management groups have also been started in India.

Self-Help Group is a small voluntary association to form a group. It is informal and homogeneous group of not more than twenty members. It is recommended to be informal to keep them away from bureaucracy, corruption, unnecessary administrative expenditure and profit motive. SHGs have proved as an effective medium for delivering credit to rural poor for their socio-economic empowerment.

8. SHG - Bank Linkage Programme

This programme developed and managed by the NABARD allows SHGs to obtain loans from banks, commercial, rural and co-operative banks. The bank lead to the SHGs and are eligible for NABARD refinance for these loans at subsidized interest rate. The NABARD's SHGs bank linkage programme helps to meet the credit needs of the poor by combining the flexibility, sensitivity and responsiveness of the informal credit system. The SHGs proved, beyond doubt, that they are the fastest growing and most effective micro finance institutions in the Indian context. The small beginning of linking only 500 SHGs to banks in 1992, SHG bank linkage programme has now become the largest community based microfinance initiative with 9.60 lakh SHGs as on 31st March 2017 covering more than a hundred million rural households. Statistical data provided in Table 1 show progress under SHG - Bank Linkage Programme during past three years.

Table 1 Self-Help Groups Savings in Banks, 2019-2022 (March)

Particulars	2019-20		2020-21		2021-22	
	No. of SHGs (Lakh)	Amount (Crore)	No. of SHGs (Lakh)	Amount (Crore)	No. of SHGs (Lakh)	Amount (Crore)
Total No. of SHGs	102.43	26152.05	112.23	37477.61	118.93	47240.48
Of Total, All Women SHGs	88.32	23320.55	97.25	32686.08	104.05	42104.77
% of Women Groups to Total	86.22	89.17	86.65	87.21	87.45	89.13
Of Total, NRLM/Groups	57.89	14312.7	64.78	19353.7	71.84	27576.94
% of NRLM/SGSY Groups to Total	56.52	54.73	57.72	51.64	60.40	58.38
Of Total, NULM/SJSRY Groups	4.69	1523.57	5.29	1954.09	5.81	2600.19
% of NULM/SJSRY Groups to Total	4.58	5.83	4.71	5.21	4.89	5.50

Note : NRLM - National Rural Livelihood Mission; SGSY - Swarnjayanti Gram Swarozgar Yojana; NULM - National Urban Livelihoods Mission and SJSRY - Swarna Jayanti Shahari Rozgar Yojana

Source : NABARD Report, 2019-20 to 2021-22.

It can be observed from the data provided in the Table that the SHGs savings with banks in monetary terms has increased over the last three years both in absolute and percentage terms. While the dip in loans outstanding as on 31-03-2021 over 31-03-2020 corresponds with the disruption caused due to the COVID-19 pandemic.

9. Loans Outstanding against Self-Help Groups

Data presented in Table 2 show the loans outstanding against Self-Help Groups during 2019-20 - March-2022.

Table 2 Loans Outstanding against Self-Help Groups as on 31st March

Particulars	2019-20		2020-21		2021-22	
	No. of SHGs (Lakh)	Amount (Crore)	No. of SHGs (Lakh)	Amount (Crore)	No. of SHGs (Lakh)	Amount (Crore)
Total No. of SHGs linked	56.77	108075.07	57.8	103289.71	6740	151051.30
No. of All Women SHGs linked	51.12	100620.71	53.11	596.6	6265	142288.61
% of Women SHGs	90.05	93.10	91.89	93.52	92.95	94.20
Of which NRLM/SGSY	36.89	677717	33.78	57336.62	4454	94231.52
% of NRLM/SGSY Groups to Total	64.98	62.66	58.44	55.51	66.09	62.38
Of which, NULM/SJSRY	2.67	5466.87	2.23	4056.45	3.27	7608.57
% of NULM/SJSRY Groups to Total	4.70	5.06	3.86	3.93	4.85	5.04

Note: NRLM - National Rural Livelihood Mission; SGSY - Sawarnjayanti Gram Swarozgar Yojana; NULM - National Urban Livelihoods Mission and SJSRY - Swarna Jayanti Shahari Rozgar Yojana

Source: NABARD Report, 2019-20 to 2021-22.

As savings grow, the eligibility of SHGs for accessing loans from banks also grows and thus their business investment potential increases. During the financial year 2021-22, banks reported an addition of 6.7 lakh SHGs savings linked at all Indian level, registering a growth of 5.97 per cent compared to 9.57 per cent to 2019-20 as is shown in Table 2.

9. CONCLUSION:

Micro finance through SHGs has been found as the appropriate approach and effective tool for poverty alleviation and empowerment of rural women. The SHGs have made a revolution in the rural women folk by enabling them to become self dependent, self reliant and self employed. It is essential that the contribution and capability must be recognized by all concerned. Certain areas of product creation must be earmarked for women. Additional subsidies have to be provided to outstanding women performers in different operational segments. There should not be scope for any kind of gender-based discrimination. The whole society must take note of this possible transformation in the form of women empowerment through SHGs. Let us hope for the best.

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