

## **Role of self Help Group in Women Empowerment**

**Prof. D. R. Chandramore, Shrimati Pushpatai Hiray Mahila Mahavidyalaya,**

**Malegaon Camp.**

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### **ABSTRACT**

Participation of women in Self Help Group made significant impact on empowerment of women in micro financing, bank linkage, economic empowerment, social empowerment, saving and financial decision making, access to credit and employment. Women empowerment is the process in which women can take active participation in overall development of their family and whole community. Self-help groups (SHGs) play today a major role in poverty alleviation in rural India. A growing number of poor people (mostly women) in various parts of India are members of SHGs and actively engage in savings and credit, as well as in other activities (income generation, natural resources management, literacy, child care and nutrition, etc.). The SHG is the helps in reduction of poverty, creation of employment, erasing inequality. The information required for this paper is collected from secondary data only.

*Key words: Self help group, women empowerment, micro financing, bank linkage, economic empowerment, social empowerment, employment generation and poverty alleviation.*

### **INTRODUCTION**

Women empowerment is the need of today's age. It says that "If a girl is educated, then it leads to the progress of family". The participation of women in self help group is made a significant impact on their empowerment both in social and economical aspects. Self help group provide platform to the needy women, who can accumulate their savings at one place and mutually lend loan to the members of group.

The SHG is a well known concept. The origin of SHG can be traced from Grameen Bank of Bangladesh, which was founded by Mohamed Yunus. SHG's were started and formed in 1975. In India NABARD initiated in 1986-87. The absence of institutional credits available in rural area has led to the establishment of SHG's. The concept of SHG has been evolved to organize the rural poor to meet their household and other expenditure out of saving.

In Maharashtra there is a word 'Bhisi, that means volunteer women come together with a common monthly saving, collect all members saving and one by one there is turn of each member to receive total amount. With this money group member solve their problems. It is also one of the type of self help group but without interest. Microfinance is vital part of Indian economy and it is an ideal mechanism to bring the women in main stream of society. Around 50 percent human resources are women. Women are also one of the part for national development. They can built pillars for good society and nation.

## **OBJECTIVES OF RESEARCH PAPER**

- 1) To examine the socio economic status of women in India.**
- 2) To study the empowerment of women through self help group.**

## **METHODOLOGY**

The present paper is primarily based on secondary data. And the data is collected from annual reports, research journals, government website and some other published sources like research articles.

## **ORIGIN OF SELF HELP GROUP**

The origin of Self Help Groups (SHGs) is the brainchild of Grameen Bank of Bangladesh, founded by Prof. Mohammed Yunus in 1975, who tried out a new approach to rural credit in Bangladesh. Grameen gave loans without asking borrowers either to provide collateral or engage in paper work. In India NABARD initiated SHGs in the year 1986-87 but the real effort was taken after 1991-92 from the linkage of SHGs with the banks. A SHG is a small

economically homogeneous affinity group of the rural poor voluntarily coming forward to save a small amount of money regularly, which is deposited in a common fund to meet the members' emergency needs and to provide collateral free loans decided by the group. It now addresses the issues of poverty alleviation and empowerment of poor, health, nutrition and other support services especially women, in the rural areas of the country.

In India, Aim of the SHGs is to give social empowerment to women. In 1991-92 NABARD started promoting self-help groups on a large scale. And it was the real take-off point for the 'SHG movement'. In 1993, the Reserve Bank of India also allowed SHGs to open saving accounts in banks. State wise linkage programmed loan scheme and saving amount show the table.

**Table 1: State –wise spread of the SHG-Bank Linkage Program**

States	SHGs	Savings (in lakhs)	% of SHGs	%of savings
Andhra Pradesh	1418676	349962.18	19.09	35.36
Arunachal Pradesh	2588	153.01	0.034	0.02
Assam	285327	11289.51	3.84	1.14
Bihar	268721	16466.57	3.62	1.66
Chhattisgarh	11184	18283.52	1.51	1.85
Goa	8170	1313.37	0.11	0.13
Gujarat	196510	16872.00	2.64	1.70
Haryana	43029	4539.47	0.58	0.46
Himachal Pradesh	37634	2732.43	0.51	0.28
Jammu& Kashmir	873	40.74	0.01	0.004
Jharkhand	86386	8932.95	1.16	0.90
Karnataka	709171	108757.29	9.55	10.98
Kerala	601325	56942.49	8.09	5.75

Madhya Pradesh	157481	13010.41	2.12	1.31
Maharashtra	692274	74805.53	9.32	7.56
Manipur	9039	94.92	0.12	0.009
Meghalaya	7230	536.65	0.10	0.04
Mizoram	187	4.46	0.002	0.00
Nagaland	2437	210.08	0.03	0.021
New Delhi	2901	660.57	0.04	0.06
Odisha	517391	45733.95	6.96	4.62
Punjab	23041	2283.98	0.31	0.23
Rajasthan	257262	17906.61	3.46	1.80
Sikkim	343	35.49	0.004	0.00
Tamil Nadu	942469	105145.21	12.69	10.62
Tripura	9148	558.00	0.12	0.06
Uttar Pradesh	379270	43858.84	5.10	4.43
Uttarakhand	37294	3903.04	0.50	0.39
West Bengal	591464	81406.51	7.96	8.23
A &N Islands	4824	115.58	0.06	0.01
Pondicherry	24454	2406.41	0.33	0.24
Chandigarh	468	13096	0.01	1.32
Lakshadweep	229	648.81	0.003	0.07
Total	7429500	989741.54	100	100

Source: NABARD: Status of Micro Finance in India 2013-14

Self-help groups (SHGs) play today a major role in poverty alleviation in rural India. A growing number of poor people (mostly women) in various parts of India are members of SHGs and actively engage in savings and credit, as well as in other activities (income generation, natural resources management, literacy, child care and nutrition, etc.). The S/C focus in the SHG is the most prominent element and offers a chance to create some control over capital. Empowerment

of the poor encompasses three basic dimensions-reduction of poverty, creation of employment, and erasing inequality. The self-help group approach in India has taken strong roots as an effective and viable channel to take the poor to a new domain of economic empowerment and social upliftment.

**NABARD as a Major Institution of Microfinance** serve From 1990's Self-help Group movement has got a successful path not only as financial supportive group but also as a platform for the poor and women to empower themselves psychologically, socially and economically. Several steps were taken by the National Bank for Agriculture and Rural Development, Bank of India and some leading Non-government organizations for the upliftment Self-help Group. NABARD supported and funded an action research project on saving and Credit Management of Self-help groups of MYARADA and undertook a survey of 43 NGOs spread over 11 states to study the functioning of the Self-help Groups and the possibilities of collaboration in 1988-89. RBI issued a circular in 1991 advising the commercial banks, the regional rural banks and the cooperatives to extend credit to the Self-help Groups. In 1994, under NABARD pilot project on 500 Self-help Groups, the RBI working group reviewed the functions of the NGOs and Self-help Groups and gave guidelines for achieve success.<sup>8</sup> RBI revised the guidelines in 1996 and advised that the banks lending to the Self-help Groups should be considered as an additional segment under priority sector and integrate with main stream credit operation. Since then Self-help Group became a regular component of the Indian financial system.<sup>9</sup> During the year 2000, government has included Self-help Group as an important part of the Government Annual Plan to eradicate poverty. NABARD is regarded as an apex institution for accredited with all matters concerning policy, planning and operation in the field of credit for agriculture and other economic activities in rural areas of India.

## **SOCIO-ECONOMIC ASPECTS OF WOMEN IN INDIA**

The condition of women is more miserable in the rural India with respect to various socio-economic aspects.

**a) Poverty:**Rural poverty is one of the important characteristics of India and nearly 45 percent of rural people are below poverty line. Most of them are just surviving with day to day earnings. Under such circumstances, within the family, the worst sufferers are needless to say women and girl children.

**b) Violence:**Indian society has been bound by culture and tradition since ancient times. The patriarchal system and the gender stereotypes in the family and society have always showed a preference for the male child.

**c) Economic Exploitation:**On the world level, women and girls together carry two-third of the burden of the world's work yet receive only a tenth of the world's income. They form 40 percent of the paid labour force. Though women constitute half of the world's population yet they own less than one percentage of the world's property. The condition of women in India is more miserable in every field of social life. They are paid half of three-quarters of the money while their male counterparts earn for the same job. In India a predominantly agricultural country, women do more than half of the total agricultural work. But their work is not valued. On an average, a woman works 15 to 16 hours a day unpaid at home and underpaid outside. Women in India earn 25% less than men, proving that gender continues to be a significant parameter in determining salaries in India, according to the Monster Salary Index (MSI) on gender for 2016. While men earned a median gross hourly salary of Rs.345.8, women earned Rs.259.8 in 2016

**d) Educational Deprivation:** In India the literacy rate of women is much lower than men because boys receive more schooling than girls.

A woman in Indian society has been victim of humiliation, torture and exploitation. There are many episodes like rape, murder, dowry deaths, burning, wife beating and discrimination in the socio-economic and educational fields. In rural areas, girls are required to help in household work. Since most of the families are poor and hence they cannot afford to provide education to all their children and hence they are forced to keep girl child for the house hold works. If resources are available, it is the boy who is sent to school first. Parents also do not see the value of educating especially a daughter who would get married and remain a housewife. Since they cannot see any direct relationship between education and economic betterment, hence self help

group is the pathway on which women can fight for their right and being economically and socially stable.

## SHG AS AN EFFECTIVE APPROACH TO WOMEN EMPOWERMENT

One has to believe that the progress of any nation is inevitably linked with social and economical plight of women in that particular country. Empowerment by way of participation in SHG can bring enviable changes and enhancement in the living conditions of women in poor and developing nations. The underlying principle of SHG is to provide to the poorest of the poor and to achieve empowerment.

SHG phenomenon definitely brings group consciousness among women, sense of belongingness, adequate self confidence. In fact, what she cannot achieve as an individual, can accomplish as a member of group with sufficient understanding about her own rights, roles, privileges and responsibilities as a dignified member of society in par with man. When she becomes a member of SHG, her sense of public participation, enlarged horizon of social activities, high self-esteem, self-respect and fulfillment in life expands and enhances the quality of status of women as participants, decision makers and beneficiaries in the democratic, economic social and cultural spheres of life.

In other words, we can say that SHG is an effective instrument to empower women socially and economically which ultimately contributes in the overall development of the country like India wherein still large segment of women population are underprivileged, illiterate, exploited and deprived of basic rights of social and economic spectrum. The experiences of SHGs in many countries have been proving great success as an effective strategy and approach in recent years. No doubt, The Fundamental Rights, The Directive principles of State Policy and Fundamental Duties etc virtually assure equal status to women and provide special protection that leads to women development beyond the economic dimension and place emphasis on issues relating to equality, autonomy and self reliance at the individual level.

As a group-oriented model, SHGs in India is a mechanism for women's development to bring in individual and collective empowerment through improvement in both condition' and position' of women. Now women in India are mobilized to protest against domestic violence, rising prices,

legal discrimination, rape, child marriage, domestic violence etc. In this way, it aims to empower women with various forms of power. Several factors and strategies have been provided by the SHGs that have made a positive contribution to the empowerment of women.

## Conclusion

SHGs have been show the way to alleviate poverty and women empowerment. And women empowerment aims at realizing their identities, power and potential. But the real empowerment is possible only when a woman has increased access to economic resources, being confident and self motivation, more strength, more recognition and say in the family matters and more involvement through participation. Although it is a gradual and consistent process, but women should build their mindset for taking additional effort willingly for their overall development. SHGs have the major impact on women empowerment. Thus SHGs have been showing the way ahead to alleviate the poverty of India along with women empowerment.

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