

# SELF-HELP GROUPS: A MAJOR TOOLS FOR WOMEN EMPOWERMENT

Abhishek Anand

Univ. Dept. of Economics, T.M. Bhagalpur University, Bhagalpur.

**Abstract :** Self Help Groups (SHGs) are an effective way to ensure the poor have access to credit and a way to develop the habit of saving money. The goal of the Self Help Group is to develop leadership and empower the poor. A Self Help Group is a group voluntarily formed by the rural poor, in which the members of the group can easily save as much as they want, to contribute to a consolidated fund and to provide credit to the group members for productivity or emergency needs. The goal of the Self Help Group is to develop leadership and empower the poor. A Self Help Group is a group voluntarily formed by the rural poor, in which the members of the group can easily save as much as they want, to contribute to a consolidated fund and to provide credit to the group members for productivity or emergency needs. In this paper we shall be discussed the role of Self Help Group in women empowerment and government effort for women empowerment.

**Keywords :** Self Help Groups, women empowerment, development, NABARD.

## INTRODUCTION

‘Indian economy is basically rural and agricultural predominant. Rural development has an important place in the overall economic, social and cultural development of the country. According to the 2001 census, 74.3 per cent of the total population of India lives in about 5.5 lakh villages and about 70 per cent is directly and indirectly dependent on agriculture for their livelihood. ‘Women labor in the economy and its Participation is very important. A large part of the total national product in the country is produced by women. ‘Women have a relentless contribution in all areas of production. Whether we do agriculture or rural employment or want, we go to the metropolis in metros. In fact, 80 percent of the women in rural areas are basically involved in non-organized work like agriculture, animal husbandry etc.

In Indian economy, the category of employment provided to women workers is of marginal work, they get work for short periods. Especially women agricultural laborers have neither their own land, nor any better work, nor little capital. Such substitute and resourceless women have nothing to do with other farm and agricultural work on the terms of the employer. In the villages, women do all the household work and in the fields, weeding, from weeding to harvesting, etc., many work women do, but there is a sense of neglect of women working at home. Their dedication and hard work is not seen as work. The proportion of women working in unorganized sector like brick kilns is also not less. The percentage of India’s total working population is only 39.1, that is, only 39 people out of 100 are engaged in various jobs. In this also, the percentage of males is very high and the ratio of females is very low. Most of the total working women are also employed as laborers in the primary sector, where they have to work under extremely harsh conditions. In fact, the share of rural women from the womb to the grave comes only with scorn. Most of the rural women are still far away from the winds of economic and social development.

The simple meaning of ‘women empowerment’ is - vigilance, worthiness, self-reliance, confidence. In other words, empowering women to provide equal opportunities for development, the right to receive the education they want and the right to make independent decisions about home, family and society. According to another concept, ‘women empowerment’ simply means empowering women, empowering women and making them self-supporting. Under this, in other sense, women empowerment refers not to equalization of men but to strong participation of women at all levels in the economic, social, political and cultural fields.

It was also realized in India that collective interest thought could be a more effective medium than individual funding and this is why the concept of self-help group developed. Self-help groups are an effective way to ensure the poor have access to credit and a way to develop the habit of saving money. The goal of the Self Help Group is to develop leadership and empower the poor. A self-help group is a group voluntarily formed by the rural poor, in which the members of the group can easily save as much as they want, to contribute to a consolidated fund and to provide credit to the group members for productivity or emergency needs.

Both economic aid and social change are important for ‘rural development’, only by providing financial assistance to a particular class, the statistics of its development cannot be claimed as it is also associated with the idea of ideological change. Therefore, self-help groups are necessary so that the poor people can get organized and do something with their own efforts in social and economic fields. Self-help groups are not constituted in any way to obtain bank loans, but rather the formation of groups is aimed at helping oneself i.e. diagnosing village problems, solving family problems, savings and loans to members for accumulated savings has to be donated.

Nobel Laureate Prof., who brought alive the concept of ‘self-help group’ as ‘Bangladesh Grameen Bank’ to solve the economic problems in the lives of the poor and the lower strata of society during the 1970s in Bangladesh. Mohammad Yunus’s contribution is unforgettable. Even today self-help groups are very relevant. Through these groups, all members provide loans from their collective savings fund to the needy members at the lowest rate of interest, thereby shaping their entrepreneurship for earning a livelihood through local economic activities. Self-help groups for developing countries are a major means of economic empowerment of grassroots people. On the other hand, this concept is not only adopted by ordinary people, but also government and non-governmental organizations around the world understand the importance of self-help groups. During the economic liberalization (1991–92) in India, self-help groups were given special encouragement and NABARD played a major role in this process. At the same time, during the Ninth Five Year Plan of India (1997–2002), SHGs were used in the implementation of grassroots developmental plans.

**SELF HELP GROUP GOAL**

- To develop leadership capacity among poor people.
- To contribute to school education.
- Improve nutrition.
- Controlling birth rate.

Many self-help groups borrow from banks, like NABARD's Self Help Groups Bank Linkage program, which has served to extend the services to the poorer population.

NABARD estimates that there are 2.2 million self-help groups in India, representing 33 million members. Self-help groups bank linkage program has also been started in some states, such as Andhra Pradesh, Tamil Nadu, Kerala and Karnataka.

**SELF HELP GROUPS CONTRIBUTE TO THE SOCIO-ECONOMIC DEVELOPMENT OF RURAL INDIA**

- Helps in promoting social entrepreneurship.
- Development of entrepreneurial, managerial qualities such as leadership and decision making ability etc. in people.
- Production of value added goods by economic activities.
- Promotion of innovation and creative industries.
- Help in eradication of poverty through employment, self-employment and entrepreneurship.
- Strengthening the local economy by producing goods / services according to local demands with proper utilization of various resources (human, financial, natural and other).
- Important contribution to nutrition and development of women and children by easy availability of various foods produced by women self-help groups like pickle, papad, badi, oatmeal, flour, incense sticks, marmalade etc.
- Helps prevent migration from rural to urban areas.
- Promoting voluntary savings and financial inclusion.
- Promotion of labor-based new employment generating sectors.
- Help in reducing regional economic and social inequality.

Women's self-help groups in various states of India like Chhattisgarh, Odisha, Madhya Pradesh, Jharkhand, Bihar, Andhra Pradesh, Tamil Nadu, Karnataka, Kerala, West Bengal and Telangana etc. are doing remarkable work in various fields.

**BENEFIT FROM SELF HELP GROUP**

- If seen in the last few years, women are taking part in it, due to which positive changes are seen in their status in the society.
- Members of self-help groups create a fund from their regular savings and use that fund for their collective purpose in an emergency.
- Self-help groups also start rural-based micro or small industries with the help of their funds, which creates new employment opportunities.
- Leadership is given to only one of these groups who performs all the management work.
- These groups are funded by banks, which facilitates financial transactions.
- The formation of self-help groups reduces financial dependence on other institutions.

**CONTRIBUTION OF SELF HELP GROUPS IN WOMEN EMPOWERMENT**

Self-Help Groups are voluntary organizations of self-governed, group-controlled and informal groups of people with similar socio-economic backgrounds that have a sense of working collectively to serve shared objectives. She has played an important role in women's empowerment in India (especially in rural India):

- Self-help group has mobilized around 46 million rural poor women in India. In addition, they have also provided financial intermediation solutions for rural women who do not have bank accounts.
- Self-help groups provide a platform for collective bargaining ability for women's rights and access to debt.
- Self-help groups provide women with the necessary knowledge, finance, power and opportunities for women empowerment. For example, SEWA (Self Employed Women's Association), 1972, founded by Ila Bhatt.
- They encourage women to become vocal members of their community. According to the livelihood improvement project in the Himalayan region, 170 out of 669 members of women SHGs in this region have been elected heads of local governments.
- Self-help groups also educate women on maternal, newborn and child health care. According to a study conducted in Uttar Pradesh and Bihar, there has been a 24 percent increase in newborn care among SHGs members and 14 percent in exclusive breastfeeding cases.
- Self-help groups also promote community development through the distribution of funds, resources and technical support.
- Self-help groups are rejuvenating the backward villages where the problem of malnutrition and poverty exists in the communities situated. For example, a self-help group supported by the Professional Assistant for Development Action (PRADAN) and the Ford Foundation has rejuvenated Telia village in rural zone of Jharkhand.

Through the three-tier structure of community institutions at the cluster, village and cluster levels, the government has encouraged the scheme through schemes of both the central and state governments. The Central schemes include Deendayal Antyodaya Yojana - National Rural Livelihoods Mission and initiatives of State Governments like Kudumbashree in Kerala, Jeevika in Bihar and promotion of SHGs through dedicated autonomous organizations ie State Rural Livelihood Missions or SRLMS etc.

Other initiatives include:

- Support is being provided by the Ministry of Rural Development to organize exhibitions of SHGs under the brand name A.A.
- NABARD is providing grant support to encourage SHGs and grant support for training and capacity building of SHGs. NABARD is running a scheme to promote women self-help groups in 150 backward and leftist extremism (LWE) affected districts of the country.
- E-Shakti is a pilot project of NABARD related to digitization of the concept.
- The government has included SHGs as a priority sector to direct and promote banking services for SHGs.

## CHALLENGES FOR SELF HELP GROUP

- Lack of knowledge: At the rural level, there is lack of awareness among the people because people working in self-help groups are mostly illiterate.
- Lack of banking facilities: If we talk about facilities in rural areas of India, there are only 1.2 lakh banking branches in 6 lakh villages, which is less than the average. Also, public sector banks are not ready to provide financial services to self-help groups quickly.
- Patriarchal mindset in India, especially in rural areas, which discourages women's participation in self-help groups.
- Stability and safety: The issue of sustainability and quality of self-help groups has always been the main issue as well as the members of the groups have no answer on who should take responsibility for their security.
- The self-help group is only able to enhance micro finance and micro entrepreneurship which limits their economic resources.
- Even today the work of self-help groups are related to primary sector which shows their low skills.
- There is a shortage of qualified people in rural areas. Due to lack of qualifications, the members of these self-help groups do not get training properly, besides there is lack of institutional mechanism for capacity building and skill training.
- Self-help groups are heavily dependent on NGOs and government agencies, they collapse as soon as their support is withdrawn by these institutions.
- Due to scarcity of resources in rural areas, there is difficulty in transporting finished goods by self-help groups to the market.

## GOVERNMENT EFFORT FOR WOMEN EMPOWERMENT

The development of any society is directly related to the development of the women of that society. Without women, the development of man, family and society cannot be imagined. The development and empowerment of women has been one of the important programs of the state government. The concept of the overall development of women will not be realized in reality until the contribution of women in all streams of social and economic development of women is recognized and their role is progressively encouraged. Education, health, nutrition, family welfare, employment and training to women and their social empowerment are the main areas of women empowerment. The methodology of the program is expected to be qualitative, so that a sense of self-confidence and awareness is instilled in women, especially in rural women, and it is possible to bring changes in thoughts and thinking. For the development of women, the government has introduced some schemes like Beti Bachao Beti Padhao, Ujjwala Yojana, Sukanya Samridhi Yojana and Kasturba Gandhi Balika Vidyalaya Yojana etc.

Following are the schemes made for women empowerment:

**Beti Bachao Beti Padhao program:** The program started on 25 January 2015 from Panipat, Haryana. The main objective of this program is to reduce the mortality rate of girls and educate them. Under this program, the discrimination in the society with girls is to be eliminated and to make them equal partners in the society.

**Deendayal Antyodaya Yojana:** National Rural Livelihood Mission DAY-NRLM is doing remarkable work towards making poor rural women self-reliant. This mission is the flagship scheme of the Government of India to remove rural poverty. Established in 2011, the mission has spread to 4456 blocks in 584 districts across 29 states and 5 union territories as of March 2018. This mission is helping rural women to adopt livelihood in both agriculture and non-agricultural sectors. The successful implementation of sub-schemes like Start Up Rural Entrepreneurship Program (SVEP), Aajeevika Grameen Express Yojana (AGEY) under the mission has revealed the entrepreneurial potential of rural women.

Under Deendayal Antyodaya National Rural Livelihood Mission (DAY-NRLM), bank loans are being emphasized for women self-help groups to promote the enterprise. Through the loans obtained by banks, custom hiring centers, rural transport, agriculture and allied works, animal husbandry, horticulture, handloom and handicrafts, retail trade etc. are being used to promote useful enterprises. Bank connectivity to women self-help groups has more than doubled in the last 5 years.

**Skill Development Scheme:** So far more than 56 lakh youth have been trained under skill development, out of which about 24 lakh have got employment in their skill related field. In fact, for the first time in the country, the Government of India formulated a comprehensive and national policy on skill development. For this, the work of skill development spread across 21 ministries and 50 departments has been brought under the specially constituted Ministry of Skill Development. As part of the effort to institutionalize entrepreneurship and skill development initiatives that started with a budget of Rs 12,000 crore, NABARD supports specialized institutions, which provide entrepreneurship development and training to rural youth and women on various skills, enabling them to make a living.

With the Pradhan Mantri Kaushal Vikas Yojana, the youth are getting the training of skills related to industry and to improve their employability. To enable the youth to compete in the labor market, the government has provided various types of efficiency programs, such as Deendayal Upadhyaya Grameen Kaushal Yojana, National Urban Livelihoods Mission and National Rural Livelihoods Mission etc.

**Mudra Yojana:** Under Mudra Yojana, 8.19 crore people have taken loans till August 2018. If at least one person gets an average of employment, then 8-19 crore people have got employment. So far, Rs 3.24 lakh crore has been disbursed under the scheme, mostly small entrepreneurs. A large number of these people are those who were not involved in any type of business before. Mudra loan is available for non-agricultural activities up to Rs 10 lakh. The Mudra scheme is also a great example of women empowerment. As of 30 August 2018, 86,37,823 people have availed benefits under this scheme, out of which 70 percent are women, i.e. more than six crore women have taken advantage of it.

**Standup India :** With this scheme, employment opportunities are increasing across the country. Under this scheme, entrepreneurship is being encouraged between Scheduled Castes Scheduled Tribes and women for loans in the range of Rs 10 lakh to Rs 100 lakh. Every bank has been asked to ensure that dalits, backward and women are discovered and linked to this scheme. Through these schemes, the government has tried to improve the cottage industry. You can also contact your nearest bank or district industry center for more information about the cottage industry.

**National Rural Livelihoods Mission (NRLM) :** The World Bank has invested in this program. It aims to provide efficient and effective institutional platform to the poor sections in rural areas and increase sustainable livelihoods and improve the availability of financial services, but it requires sustainable investment in efficiency development and excellent employment through entrepreneurship Opportunities for creation should be increased. To overcome the skills shortage in India and to increase employability, such policies and strategies should be formulated that provide 'on the job' in labor relevant education systems,



career guidance, life skills and techno-vocational education and training schemes and formal and informal sector Focus on training.

**Rajiv Gandhi Scheme for Empowerment of Adolescent Girls (Sabla):** This program was launched by the Ministry of Women and Child Development on 1 April 2011. Under this program, 11 to 14 year old girls are given nutritious food and many other treatments including iron pills.

**Indira Gandhi Maternity Cooperation Scheme:** This program was started by the Ministry of Women and Child Development on 26 October 2010. Under this scheme, women 19 years and above are given financial assistance at the time of birth of first two children. This financial assistance is given in two installments of Rs. 4000.

**Kasturba Gandhi Balika Vidyalaya Scheme:** This scheme started in 2006. Under this, women from those backward and rural areas have to be made literate, where the education rate is lower than the national female education rate. The central government contributes 75% and the state government 25% in this scheme. Of which 65% have to be educated for scheduled castes / tribes / extremely backward classes and minorities and 25% of girls below poverty line.

**Pradhan Mantri Ujjwala Yojana:** This scheme was launched by Prime Minister Modi on 1 May 2014. Under this scheme, poor women will get free LPG gas connections. The main objective of this scheme is to reduce fossil fuels used in cooking in rural areas and to promote LPG gas instead. The scheme aims to empower women and improve their health.

**Swadhar Ghar Yojana:** The scheme was launched by the Ministry of Women and Child Development, 2001-02. Under this scheme, prostitutes, widows, women released from captivity and other victimized women are rehabilitated. These women are provided with the necessary legal advice, medical and other facilities under this scheme. Under this scheme, these victimized women have to be physically and mentally strengthened and connected to the mainstream of society.

**Training and Employment Program for Women:** This program was started by the Ministry of Women and Child Development in 19-4. Under this program, women 14 years and above are eligible for self-employment through skill development. The grant amount for this scheme is sent directly to the institution / organization and non-governmental organizations.

Apart from these programs, some other important schemes have been launched by government, which are as follows :

- Chief Minister Seven Point Women Empowerment Program
- Women's Self Help Group Program
- Initiative of the Department in Women Self Help Group Production Marketing
- Women Development Program
- Swavalamban Scheme
- Grants for mass marriages
- District Women's Assistance Committee
- State Women's Commission
- Gender sensitive budgeting
- Kishori Shakti Yojana
- Women Protection from Domestic Violence Act 2005
- Stop Child Marriage
- Women Safety Advice Center
- FREE BASIC COMPUTER COURSE BENEFICIARIES
- Dignity Protection and Respect for Girls, 2016
- Dhanalakshmi Mahila Samridhi Kendra Construction Scheme
- Mahila Shakti Award
- Chirali Scheme
- Menstrual Hygiene Management Plan
- Aparajita

Through these programs, it is hoped that in the coming times, Indian women will be empowered and equal partners in India's development.

## CONCLUSION

Once upon a time, women who were uneducated and ignorant have become aware of their health, children's education, food nutrition and family planning after joining self-help groups. Through the Education Mission, she has become more sensitive to AIDS education, sanitation and other social issues. The 'austerity' on which the self-help group is based inspired its members to save some of their income. These small savings proved to be very helpful in their economic crisis. Self-help group movements also led to the development of leadership qualities in women, which enabled them to bring out the talk of the group.

The government is engaged in the process of rapid development and economic and social change in rural areas. In the same sequence, efforts are on to improve the standard of living of women and to ensure their effective participation in development work. The self-help group is a voluntary group formed by rural poor women, so that the women of the group make the savings they want easily. They mutually agree to contribute to a joint fund and to provide loans in the form of meeting the productive or emergency needs of the members of the group. Both economic support and social change are important for rural development. Therefore, women self-help groups are necessary for empowerment, so that rural women can organize and do something through their efforts in the economic and social sector.

After considering and understanding all the above aspects, it can be said that the role of non-governmental organizations, self-help groups and private sector is very important in the socio-economic development of rural India. All these organizations with their various social activities and works should contribute their valuable contribution to the government and society in building a new India and in removing various social inequities like poverty, unemployment, discrimination, corruption and women and child oppression etc. from the mass movement and participation.

**REFERENCES**

- Adolph, B. 2003. The role of self help groups in rural non-farm employment. Rural non- farm economy: Access factors. Discussion Paper. Natural Resource Institute. University of Greenwich, Medway, United Kingdom.
- Anand, Jaya S. 2002. Self-help Groups in Empowering Women: Case Study of Selected SHGs and NHGs. Discussion Paper 38, Kerala Research Programme on Local Level Development Centre for Development Studies, Thiruvananthapuram, Kerala, India.
- APMAS/EDA 2006. Self Help Groups in India. A Study of Lights and Shades. Andhra Pradesh Mahila Abhivruddhi Society, Hyderabad and Rural Systems Private Ltd., Gurgaon.
- Bakshi, P. 1995. Empowering the poor women for community development: A unique programme in Alappuzha town of Kerala. Vikalpa, 20: 3-6.
- <http://www.jagranjosh.com/general-knowledge/government-schemes-for-women-schemes-for-women-empowerment-1482143835-2>
- <https://india.gov.in/hi>

