

## IMPORTANCE OF SELF-HELP GROUPS (SHGS) FOR THE WOMEN



SAMITA GAUTAM

*M.Phil., Roll No. 150171, Session: 2015-16*

*Department of Economics, B.R.A. Bihar University, Muzaffarpur, India*

*samitagautam72@gmail.com*

### ABSTRACT

In line with this many effort have been initiated towards poverty eradication using a technique of formation of people in to self-help groups (SHG). The idea of forming people in to groups is to enhance them the ability and provide opportunities to get employment through collaborative support where they can work collectively to come out of the clutches of poverty. Therefore, SHG is one of the platforms that provide opportunities to people to engage in the group to achieve a common goal. The involvement in the SHG guaranteed to get access on other financial aid and support through the SHPIs or financial institutions like banks and NGOs. It is seen that people engaging in the SHG movement can either work collaboratively for IGAs or individually taken up for any IGAs mainly in the activities of farming, animal husbandry, small scale business, handloom and handicraft, etc.

**Keywords:** Shgs, Women

### INTRODUCTION

It is imperative that steps be taken to alleviate feminine poverty, boost educational attainment, and put an end to domestic violence. The empowerment of women includes aspects such as high self-esteem, self-confidence, and awareness. In the same vein, it discusses the capability of making decisions as well as gender sensitivity (Panda2017). Self-help organizations in India

are a powerful tool for advancing the economic and social standing of rural women since they provide monetary assistance and a variety of other services. Inequality between the sexes is not just a problem in society but also a significant obstacle to economic growth. In the year 1992, NABARD was the organization that pioneered the Self-Help Group–Bank Linkage Programme (SBLP). It is a paradigm of collaboration between NABARD, banks, and non-governmental organisations (NGOs). According to the most current guidelines issued by the RBI, SBLP is regarded to be a component of need sector lending. The organisation that provides money started providing loans to SHGs using the savings. The amount of the loan may be up to three times what the savings group has accumulated. A typical women's self-help organisation is comprised of ten to twenty underprivileged women who come from similar socio-economic backgrounds. These ladies pool their money together to create a fund that may be used to carry out essential activities. The group's individuals have the option of taking out loans in order to satisfy the necessary financial requirements. In most cases, they are intimate gatherings of members who have chosen themselves, who hold frequent meetings, and who put money down on a consistent basis. After the group has amassed a sufficient amount of funds, the lending mechanism will be activated. It was a plan in which families living below the federal poverty line were recast as self-help organisations and sponsored via a combination of bank loans and government grants. The Ministry of Rural Development under the Government of India launched the National Rural Livelihoods Mission (NRLM) - Aajeevika in June 2011 as a revamped version of the Swarna Jayanti Gram Swarozgar Yojna (SGSY). The recruitment of low-income individuals into self-help groups (SHGs) and the subsequent development of such groups was a success because to SGSY. As a result of this situation, the Government of India has launched the National Rural Livelihood Mission over the entirety of the country. SGSY's guiding principles, standards, and recommendations serve as the foundation for it. The Mission is comprised of four key facets that serve as the foundation for NRLM throughout the state. Included in this category are financial inclusion, social inclusion and mobilisation, dedicated support structures, vulnerability reduction with livelihood development, and sensitive approaches. It is now being referred to by the acronym BRLPS because it is being implemented in the state of Bihar. The Bihar Rural Livelihood Promotion Society (BRLPS) is a self-governing entity that operates under the auspices of the Department of Finance under the Bihar state government. The BRLP project, which is also known as JEEVIKA in the surrounding area, is receiving funding from the World Bank. Its primary objective is to foster the growth of community units or institutions that are capable of independently managing and coordinating

their own process of development. These are the self-help groups that are available. The strategy of eradicating poverty in the country by empowering women via the use of microfinancing provided by SHGs is proving to be successful. These organizations have brought about changes in the mentality of women living in rural areas who were traditionally conservative and ignorant. The self-help group is an effective option for rural development, and it also stimulates community engagement. Both of these benefits come from the fact that it is a grassroots organization.

### REVIEW OF LITERATURE

Ganapathi and Murugesan (2011) research was done on the "effect of microfinance on the economic condition of the members of the SHGs," which was the topic of the study. A representative sample of 240 people was taken from the Coimbatore District in the state of Tamil Nadu. The results of the study showed that there was no significant association between the members of the group's economic condition and other factors such as age, social standing, marital status, type of family, and so on. These factors were all included in the study. According to the findings of the study, there was also a correlation between the economic standing of the group members and factors such as their monthly income, level of education, level of awareness, and level of engagement in SHGs. This was shown to be the case. The authors suggested that initiatives should be taken to enhance the provision of microcredit at the grassroots level.

Prabakaran and Boobalan (2011) It was claimed that SC and ST women in the Patna district of Bihar had seen a considerable improvement in their socio-economic position as a result of access to microcredit through SHGs. It was observed that after participating in SHGs, both the beneficiaries' work pattern and their living situation had altered. This was a positive development.

Gupta and Hanagandi (2012) found that the intervention of microfinance through SHG-Bank Linkage Program had a positive impact on the empowerment of women, in terms of increase in social awareness and participation, asset creation, confidence development, savings ability and loan repayment, earnings, employment opportunities, inculcates leadership qualities and decision-making ability. The study was titled "A Study on Women Empowerment Through Self Help Groups." With a programme called the Self-Help Group-Bank Linkage Program,

microfinance enabled low-income women to get access to a variety of financial products and services. The ladies in a rural culture were able to get social recognition through the initiation process of a self-help organization. The author made the suggestion that there needed to be a greater emphasis placed on providing training, educating, and developing awareness among the members of the group.

Sahu and Singh (2012) conducted a study on "Perception of women about role of SHGs in empowering them" with the use of qualitative methods such as focus group discussions and content analysis and revealed that after joining Self Help Group women have empowered economically and socially. The author recommended for conducting frequent capacity building programs to enhance capability of members of SHGs.

Vijayalakshmi, et al., (2012) found that the intervention of microfinance through SHG-Bank Linkage Program had a positive impact on the empowerment of women, in terms of increase in social awareness and participation, asset creation, confidence development, savings ability and loan repayment, earnings, employment opportunities, inculcates leadership qualities and decision-making ability. The study was titled "A Study on Women Empowerment Through Self Help Groups." With a programme called the Self-Help Group-Bank Linkage Program, microfinance enabled low-income women to get access to a variety of financial products and services. The ladies in a rural culture were able to get social recognition through the initiation process of a self-help organization. The author made the suggestion that there needed to be a greater emphasis placed on providing training, educating, and developing awareness among the members of the group.

Jain and Jain (2012) According to the findings of their research, self-help groups, often known as SHGs, have been successfully empowering rural women through business-related activities. It was found that rural women's incomes, as well as their spending and saving habits, had increased. Self-help organizations had the most significant influence on the rural women's lives, both socially and economically. The outcomes of the study indicated that SHGs assisted rural women in acquiring loans in a simpler and more expedient manner, while also reducing the negative consequences that are associated with obtaining loans from money lenders. There was an increase in both one's own sense of self-confidence and one's recognition among peers in society.

### RESEARCH METHODOLOGY

---

Because research is an intellectual undertaking, the word should only be used in its technical sense. Research makes a similar implication about the pursuit of knowledge as speaking does. Another way to describe research is a systematic quest for information on a certain subject. In actuality, research is a scientific investigative talent. The Advanced Learner's Dictionary of Current English defines research as a deliberate inquiry or request, particularly via scan for fresh material in any field of expertise. Redman and Mory define research as a systematic endeavour to gather new facts. Some individuals think of research as moving from the known to the unknown in a progression. It's a voyage of discovery. We all possess the fundamental intuition of curiosity because we wonder when faced with the unfamiliar. Our curiosity motivates us to experiment and come to a deeper understanding of the unknown. All knowledge comes from this natural curiosity, and study is the tool that man uses to gain comprehension of anything mysterious. Research is an academic activity; thus, the term should be used technically when referring to it. According to Clifford Woody, conducting research entails describing and rethinking problems, formulating hypotheses or suggested arrangements, gathering, sorting, analysing data, drawing deductions, and coming to conclusions. Finally, the findings are tested to see if they corroborate the underlying theory. Research is defined by D. Slesinger and M. Stephenson in the Encyclopedia of Social Sciences as the control of things, ideas, or images to summarise, expand, or verify information, regardless of whether such knowledge assists in constructing a hypothesis or the act of handicraft. In this sense, research is a solitary commitment to the informational weight driving it ahead at the moment. It is the search for the truth through investigation, observation, correlation, and experimentation. In other words, research is looking for information using a precise and targeted approach to find a solution to a problem. Conjecture and the formulation of a hypothesis can be developed methodically through research. As a result, the term "research" refers to an efficient method that includes formulating a problem, organising a hypothesis, gathering information, dissecting the information, and coming to precise conclusions, either as answers to the current problem or in precise hypotheses for some theoretical formulation.

### DATA ANALYSIS AND INTERPRETATION

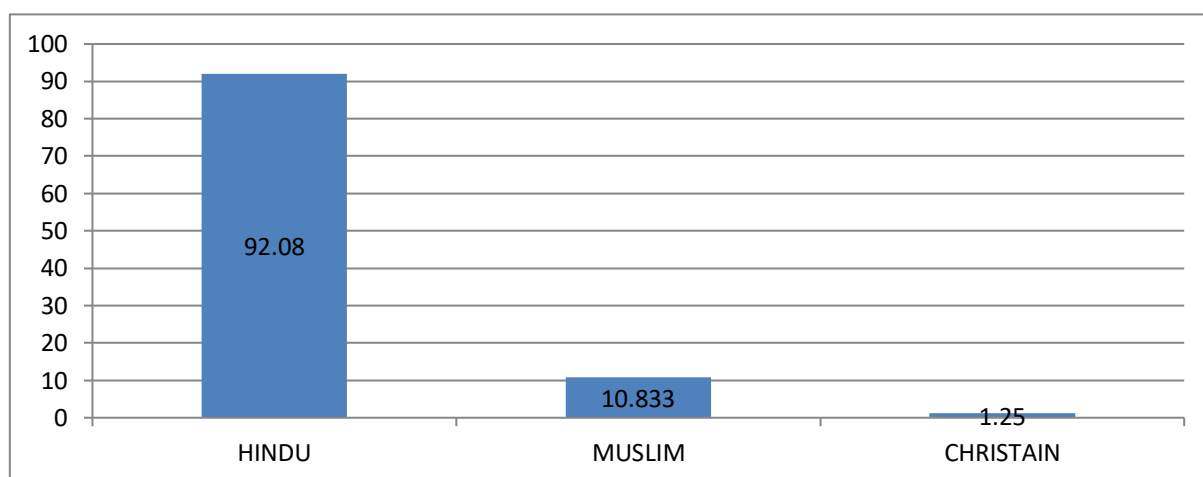
Empowering marginalized people involves giving them access to real opportunities, either directly by the marginalised individuals themselves or with the assistance of others who are not marginalised but share their access. Encouragement of and training in self-sufficiency is another aspect of empowerment that aims to make group members less dependent on future aid

## IMPORTANCE OF SELF-HELP GROUPS (SHGS) FOR THE WOMEN

or welfare. Starting and carrying out this process successfully can be challenging. It refers to women's sense of self-worth, their freedom to make and exercise choices, their access to opportunities and resources, their right to be in charge of their own lives, both inside and outside the home, and their capacity to shape social change to establish a more equitable social and economic order on a national and international scale.

For ease of analysis, the data were tabulated using percentages and presented as straightforward analytical tables. Figures were used to represent certain data to provide a clear visual understanding. Tabulations were done using MS Excel.

### RELIGION OF THE RESPONDENTS



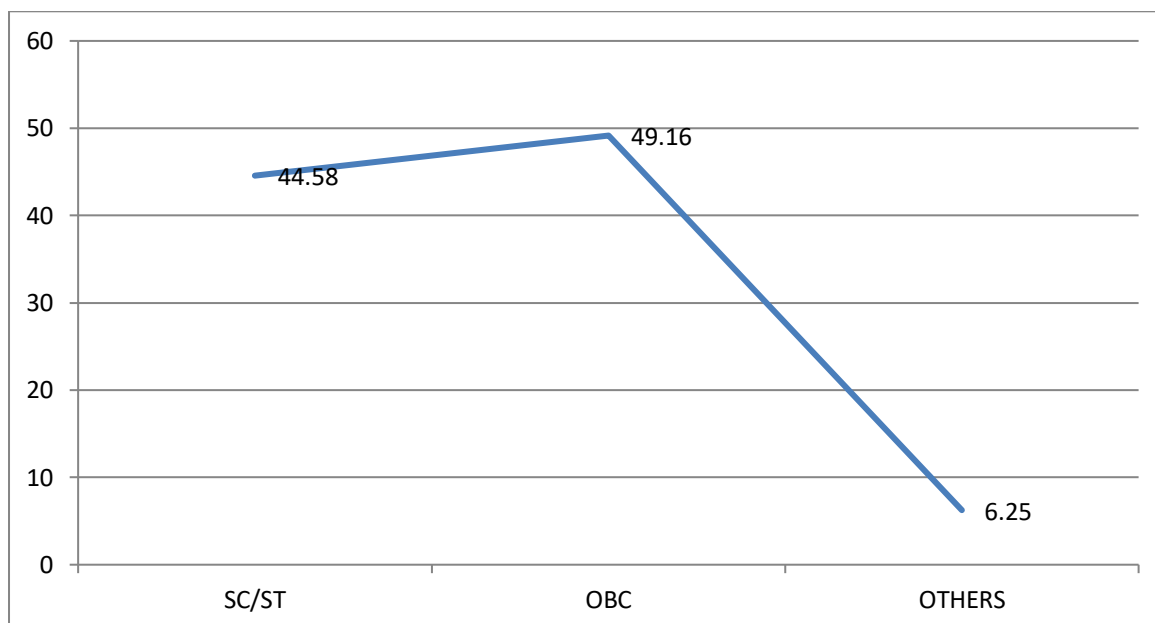
### RELIGION OF THE RESPONDENTS

Value	Frequency	Per cent
HINDU	211	92.08
MUSLIM	26	10.83
CHRISTAIN	03	1.25
TOTAL	240	100

## IMPORTANCE OF SELF-HELP GROUPS (SHGS) FOR THE WOMEN

The above table and graph reveal that 92.08 per cent (211 respondents) were Hindu and 10.83 per cent (26 respondents) were Muslim, and 1.25 per cent (3 respondents) were Christian. A majority of the respondents were Hindu, 92.08%.

### COMMUNITY WISE CLASSIFICATION OF RESPONDENTS.



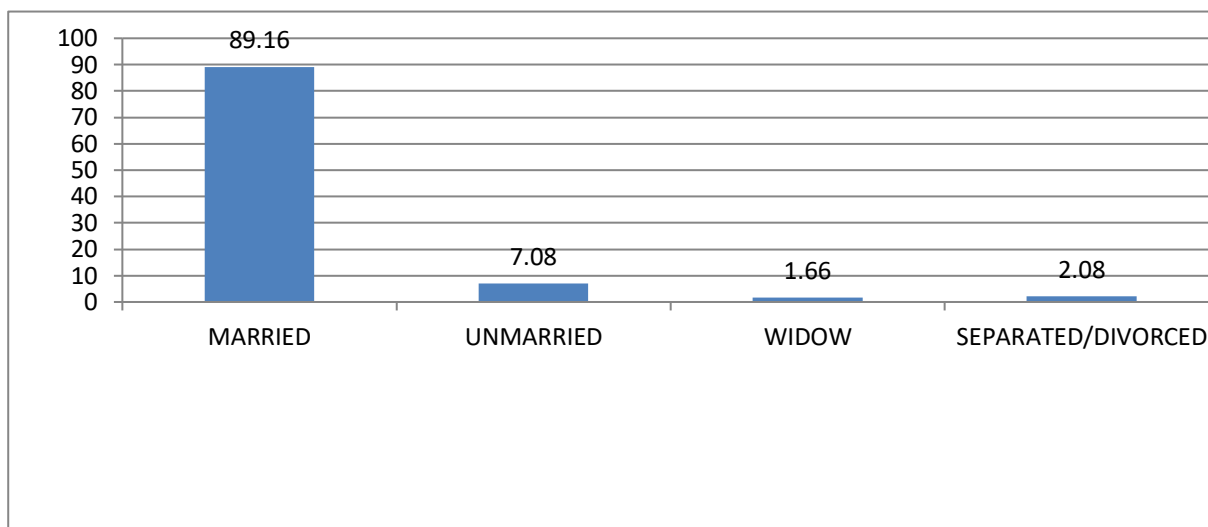
### COMMUNITY-WISE CLASSIFICATION OF RESPONDENTS.

Value	Frequency	Per cent
SC/ST	107	44.58
OBC	118	49.16
OTHERS	15	6.25
TOTAL	240	100.0

The data in the table indicates the community-wise distribution of respondents. Out of the total 240 respondents selected, 44.58 per cent (107 Respondents) belong to SC-ST, 49.16 per cent (118 Respondents) belong to OBC, and 6.25 per cent (15 Respondents) belong to another group. It is seen from the table and graph that the numbers of OBC women members are more than 49.16 per cent in these Districts and it is found that the majority of the women members of SHG groups belong to the OBC groups.

## IMPORTANCE OF SELF-HELP GROUPS (SHGS) FOR THE WOMEN

### MARITAL STATUS OF THE RESPONDENTS.



### MARITAL STATUS OF THE RESPONDENTS.

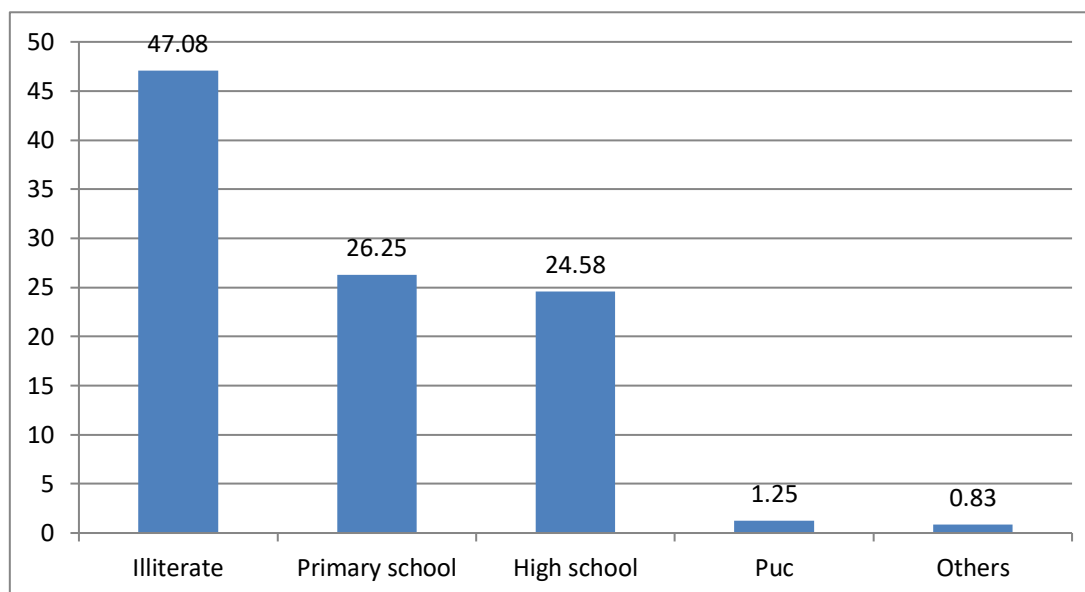
Value	Frequency	Per cent
MARRIED	214	89.16
UNMARRIED	17	7.08
WIDOW	4	1.66
SEPARATED/DIVORCED	5	2.08
Total	240	100.0

The above table gives data on the marital status of 240 respondents. It could be noted that 89.16 per cent (214 respondents) of respondents were married and 7.08 per cent (17 respondents) were unmarried, 1.66 per cent (4 respondents) were widows and 2.08 per cent (5 respondents) were separated/divorced. It is found from the study that the majority of the members involved in SHG activities were married women (91.8 per cent).

### EDUCATIONAL QUALIFICATION OF RESPONDENTS.



## IMPORTANCE OF SELF-HELP GROUPS (SHGS) FOR THE WOMEN

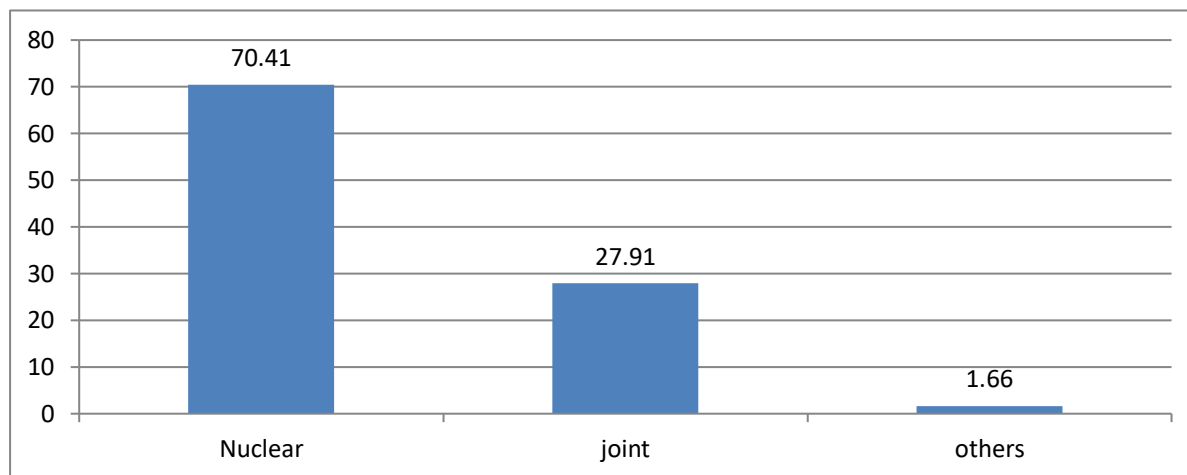


### EDUCATIONAL QUALIFICATION OF RESPONDENTS.

Value	Frequency	Per cent
Illiterate	113	47.08
Primary school	63	26.25
High school	59	24.58
Puc	3	1.25
Others	2	0.83
Total	240	100.0

The above table explains the educational qualification-wise classification of 240 respondents. Among them, 47.08 per cent (113 respondents) were illiterates, 26.25 per cent (63 respondents) were educated up to primary level, 24.58 per cent (59 respondents) were high school level, 1.25 per cent (3 respondents) were puc group, and 0.83 per cent (2 respondents) were others level. From the analysis, it is that, in general, more than 47.08 per cent (113) of the rural SHG members were illiterates.

### NATURE OF THE FAMILY OF RESPONDENTS



### NATURE OF THE FAMILY OF RESPONDENTS.

Value	Frequency	Per cent
Nuclear	169	70.41
joint	67	27.91
others	4	1.66
Total	240	100.0

Table 4.5 shows the nature-wise distribution of 240 respondents. The nuclear families were 70.41 per cent (169 respondents), the joint family households were 27.91 per cent (67 respondents), and the other families were 1.66 per cent (4 respondents). It is found from the study that nuclear family respondents were more (70.41) of the total respondents.

### CONCLUSION

The rights of women should be respected as fundamental human rights. I will quote President K.R. Narayanan's January 6, 1996 speech in New Delhi at the Convention on Liberal Values. As human civilisation has developed, economic, cultural, social, civil, and political factors have converged to create what is now known as human rights. Human rights are based on individual rights and values that are inherent to all cultures around the world but are more commonly referred to as liberal values in modern, more Western terminology. "Despite all of our technological advancements, we still live in a world where a fifth of the population of the developing world goes hungry every night, a quarter lacks access to even basic necessities like safe drinking water, and a third lives in such a state of abject despair at such a margin of human existence that words simplified to describe it," states UNDP's Human Development Index Report from 1994. The most concerning implication are that women continue to be marginalised in the fight for survival, even among those who live in poverty where resources are unequally distributed. As a result, worldwide development initiatives place a heavy emphasis on women today. However, the implications for women's development go beyond what is typically meant by the term "development." The idea of empowerment is embraced. To produce long-lasting results in the development field, it is necessary to identify and promote the latent potentialities of women to better themselves and their surroundings. At the same time, in societies where men predominated, women were not fully acknowledged by all development mechanisms and agencies.

### REFERENCES

1. Birthal, P.S., P.K. Joshi, D.S. Negi, and S. Agarwal. 2014. "Changing Sources of Growth in Indian Agriculture: Implications for Regional Priorities for Accelerating Agricultural Growth." Discussion Paper 01325. Washington, D.C.: International Food Policy Research Institute.
2. Capalbo, Susan M. and John M. Antle (Eds.) 1988. *Agricultural Productivity Measurement and Explanation*. Washington, D.C: Resources for the Future.
3. Caves, D.W., L.R. Christensen and W.E. Diewert. 1982. "The Economic Theory of Index Numbers and the Measurement of Input, Output and Productivity." *Econometrica*, 50(6): 1393– 1414.

4. Chand, R., P. Kumar and S. Kumar. 2011. "Total Factor Productivity and Contribution of research Investment to Agricultural Growth in India." Policy Paper 25, New Delhi: National Centre for Agricultural Economics and Policy Research (NCAP).
5. CGWB. 2017. Dynamic Groundwater Resources of India (as on March 2013). Central Groundwater Board, Ministry of Water Resources, River Development and Ganga Rejuvenation, Government of India.
6. Coelli, T.J. and D.S. Prasada Rao. 2003. "Total Factor Productivity Growth in Agriculture: A Malmquist Index Analysis of 93 Countries." Working Paper Series No. 02/2003, Centre for Efficiency and Productivity Analysis (CEPA), School of Economics, University of Queensland, Australia.
7. Coelli, Timothy J., D.S. Prasada Rao, Christopher J. O'Donnell, and George E. Battese. 2005. An Introduction to Productivity and Efficiency Analysis, Second Edition, USA: Springer.
8. De Janvry. 2010. "Agriculture for development: new paradigm and options for success." *Agricultural Economics*, 41(S1):17-36.
9. Diewert, W.E. 1976. "Exact and Superlative Index Numbers." *Journal of Econometrics*, 4: 115–145. Diewert, W.E. 1978. "Superlative Index Numbers and Consistency in Aggregation." *Econometrica*, 46(4): 883–900.
10. Evenson, R.E., C.E. Pray and M.W. Rosegrant. 1999. "Agricultural Research and Productivity Growth in India." Research Report 109. Washington, D.C.: International Food Policy Research Institute.