

Role of Self Help Groups and Women Empowerment in India

Ishwani Pasricha

Research Scholar, Department of Economics, Punjabi University, Patiala, Punjab, India.

Abstract

"Women equality with men" is the worldwide slogan. Women empowerment means to create an environment for women where women can make their own decisions for their own benefits as well as for society. In this paper, an effort is made to identify the different determinants of SHGs which empower the women and how these groups guide to create confidence and self-reliant. These groups not only provide strength to the rural people, rather save them from exploitation also. It also provide status to the women in the family and the society and empower the women to take independent decisions. The paper is divided into the following parts: Concept of women empowerment and its empirical background; SHGs and its empirical background; Income generating determinants; case studies.

Key words: Empowerment, Self Help Groups (SHGs), Women, status.

Introduction

"Women equality with men" is the worldwide slogan. Women empowerment means to create an environment for women where women can make their own decisions for their own benefits as well as for society. The main agenda behind women empowerment is to improve social, economic political and legal strength of the women and to make them confident enough to claim their rights. In short, women have the rights to get their voices heard. Women empowerment is important and essential so that they can be equally competent in the society. Secondary the overall development of the society can be encouraged. It helps in reducing domestic violence, corruption, poverty. By reducing this nation gets developed in all its aspects. Keeping all this in mind SHGs act as fuel for the women empowerment SGHs are non professional organization which is formed by people with a common problem or solution. SHGs are therefore, also known as mutual help groups, mutual aid groups and support groups. In traditional society family and friends got together and provided social and economical support to each other. Whereas, in today's modern society such family and communities are not found. Therefore need for such SHGs is realized. SHG in today's world have emerged as an important strategy for empowering women and removing the rural poverty SHGs give new avenue of empowering women and removing the rural poverty. SHGs given new avenue employment to women, especially from the rural area. They have encouraged the housewives to be together for a constructive activity which infact utilise their time as well.

Objective:- The main objective of the paper is to identify the implication of SHGs, which play a vital role for women empowerment in India.

Methodology:- It is a small effort which do not carry any statistical analysis or tabular analysis. It has empirical evidences about the concept of SHG and women empowerment i.e. when and how they came. It has 2 to 3 case studies to point out the effective role of SHGs.

Features of SHGs

- SHG is basically an economically homogeneous group which is basically formed on the basis of self selection.
- Most SHG are women's group with membership ranging between 10 and 20.
- These SHGs are self-managed groups or institutions. They are characterized by participatory and collective decision making.
- SHG almost meet regularly and maintain their records of savings and credits. They have well-defined rules and laws for their working.
- Generally, a SHG engage in a single income generating activity for which it takes loan. Sometimes, a SHG may also engage in multiple activities and take group loans.
- For formation and development of the SHGs, financial assistance is provided to NGOs/CBDs, etc. The criteria followed is as below: 20% at the beginning i.e. at the time of group formation; 30% when a group qualifies for Revolving fund; 40% when group finally takes up economic activity; 10% after the start of economic activity.
- From one family only one member is allowed in the particular SHG is allowed in a particular SHG as by this more families can join SHGs.
- Mixed groups are usually not preferred. The group consist of either only men or only women where, women groups are generally found to perform better.
- Members have same social and financial background, this makes the members to understand each. Other in a better way. Members freely interact with each other if they have same background. Compulsory and full attendance is generally required. The group need not be registered one. Under book keeping of SHG there is. Minutes Book : In this book the proceedings of meeting, the rules of the group, names of the members etc are recorded in this book. Savings and Loan Register: This book shows the separate savings of each member of the group. This register also shows the savings of the group as a whole. Similarly, the loans of each member of the group are recorded separately. Even the group loans are considered a whole. Similarly repayments, interest collected, balance etc. are entered here. Weekly Register- All the receipts and payments received and given are recorded on weekly basis. This register is updated at every meeting. Members Pass Books : Individual members passbooks encourage regularly saving.

Need for SHGs

- To mobilise the individual resources of a member for collective economic development.
- For uplifting the living conditions of the poor.

- To encourage the habit of savings and fuller utilization of the local resources in form of fuller utilization of individual skills for interest of the group,
- SHG acts as a mediator for the socio-economic development of the village.
- To develop direct and indirect linkages with NGOs etc.
- To help in the recovery of the loan.
- To encourage team work.
- To develop the qualities of leadership.
- To develop trust, mutual understanding
- To develop confidence among different individuals of the group.

Women Empowerment and It's Empirical Background

Empowerment as a concept was introduced at the international women's conference at Nairobi (Kenya) in 1985. As per the United Nations (UN) women empowerment has 5 components.

Women's Sense of Self-work.

Right to have and determine choice.

Right to have access to opportunities and resources.

Right to have the power to control their own lives, both within and outside the home.

Ability to influence the direction of social change to create more social and economic order, nationality or internationally.

Women empowerment was present from the Vedic period (1500-1000 BC). Scholars believed that in ancient Indian women enjoyed equal status with man in all fields. They had freedom to choose partners for marriage, etc. However from the Age of Manusmriti (500-200 BC) women were not given much freedom. Not marrying a girl before the age of 14 years was a sin. Even in medieval age women status was low as their was Sati System, Child marriage, ban on widow remarriage. In 19th Century, again women status was tried to improve as Raja Ram Mohan Roy abolished the Sati practice in 1829. Ishwar Chandra Vidyasagar abolished the widow Remarriage act in 1856.

The year 1975-85 was declared as "decade for women" It emphasized that women should get the same opportunities as that to men. The year 2001 was declared as a "Year of women empowerment". The SHG movement, at this time, got full pace to encourage women empowerment in India. SHG model was started with a boost in the Ninth plan (1997-2002) in India. The Ninth Plan encouraged state and centre to adopt the "Women's Component Plan." This women's component plan through was articulated or suggested in 9th plan but it's basically central to the 10th Plan (2002-07) In this plan, minimum of 30% of funds or benefits had to be used for all women related sectors.

Even this plan continued in Eleventh plan (2007-12). The government during these plans were highly committed to encourage SHGs. As these SHG could act as an agents of social

change development and empowerment of women. It's proved as the largest and fastest growing micro finance programme in the developing world.

SHGs and their empirical back ground

SHG is informal and homogeneous group of not more than 20 members. SHG is a voluntary association of poor. The members volunteered to organize themselves into a group for eradication of poverty of the members. They agree to save regularly and convert their savings into a common fund, known as group corpus. The members of the group agree to use their common fund for their financial necessities. This scheme of SHG was started by :- Dr Mohammad Yughnis in 1943 in Grammen Bank of Bangladesh. In India the first SHG for women started in Amravati district, back in 1976. Every month during the introduction stage of this scheme the women's use to contribute 25 paise. In 1991-92, NABARD started promoting SHGs through it's pilot programme by linking 500 SHGs with banks. Now nearly 560 banks, various government insituties and more than 3024 NGOs are actively involved in the promotion of SHG movement. SHG have increased from 500 groups in 1992 to 77.12 lakh groups in 2015. Around 90% of these groups are only women groups. NABARD declared that more than 400 women join the SHG movement every hour.

Income Generating Determinants or Activities of SHGs.

- Agriculture
- Animal Husbandry
- Hosiery
- Cane Items
- Carpets
- Khadi, rather items
- Spinning and wearing
- Basket wearing
- Woolen Blanket wearing
- Sale of fruits
- Vegetable Vending
- Chicken shops
- Mid day meals
- Embroidery
- School uniform stitching units
- Brick making
- Saree business
- Candle making
- Pickle making

Case studies

- Kolanchiammal:- Before kolanchiammal got involved with a SHG, her family suffered a lot from money lenders and it was very difficult for her to maintain her family. She came to know about the importance of SHG and made herself a member in the Vanavil Self Help Group, Which is being looked after by Read (Rural Education and Action Development). After getting a loan from READ, she bought 4 goats and takes care of them well. Now she is having a habit of saving the amount for future use. Thus the total family benefited from this. One of the goats have 2 off spring's.
- Ranjit Kaur of Ghumait village near Ludhiana was thrilled about her success and the recently conducted Kisan Mela at PAV. The hot and sweet chilli pickle made by her and other members of Dhan-Dhan Baba Nand Singh Self-help group were hit at the Mela. They made 150 Kg of pickle and were able to sell all of it.
- Members of Chardikala self-help groups in Jhande village near Ludhiana made around 100kg of mixed fruit jam and were able to sell 80kg of it. So these were some of the success stories of SHGs.
- On 26 Oct, 2009 Punjab Agriculture University established a self help Group for women in state. They formed this SHG to make women self reliant. For instance Amit Jethi, a women in Ludhiana, used to make soft toys and paintings as a hobby. Since she became a member of SHG, she used to make these soft toys and paintings for commercial purpose. In short it became her profession now every month she earns Rs.10,000 to Rs.13000. Becoming an earning hand for her family has made her self reliant and confidence.
- Women in Madhya Pradesh's Sakdi village has started a self help group in which they started depositing a small part of their income in a common pool so that when some is in high need of money, then this money could be used. They saw that number of people from their village and near by, were going hungry. So for this noble cause women of Sakdi village pooled in money and helped in contributing a fistful of food grains. What they did was they collected 50 kg of grains and then they organized an event where they could donate snacks of food grains to widows, landless families, elderly people and those who had no source of income. The main aim was no one should sleep hungry in the village.

Conclusion

The concept of SHGs moulds women into a responsible citizen of the country with social and economic status. It leads women to develop the habit of raising loan's form savings. These women groups when come together actively take part in social welfare programmes focusing on dowry, AID awareness, nutrition, legal literacy, multiple roles of women and poverty alleviation programme. The women groups have taken the initiative to educate their own members with great enthusiasm. Self Help groups are necessary to overcome exploitation, create confidence for economic self-reliance of rural people, particularly among women who are mostly invisible in the social structure. These groups enable them to come

together for common objective and gain strength from each other to deal exploitation, which they are facing in several forms. Therefore, a groups become the basis for action and change.

SUGGESTIONS

- Different banks should adopt SHG banking as a core or main banking activity. This banking should not inter fared by using target fixing or fixing of loan size and interest cap.
- Government should form different federations such as:-Sub district/block level federation. District level federations. These federations will encourage the activities of the SHGs in India.
- The different federations should have their organizing committee's so that the misuse of the money by the groups could be avoided.
- Regular training and guidance should be provided by the NGOs or state government to promote effective functioning of the SHGs. These trainings. Should strictly focus on "Financial literacy and Credit counseling."
- Different banks should be given license for encouraging the SHG banking and thereby encouraging the competition among them.
- Skills should be imported to NGOs so that they can organize motivational camps and training programmes. These programmes should be designed in such away that these can further help in motivating the villagers. Villagers should have faith in SHGs and this faith can only be created if there is greater transparency in the system and all the mat practices at any level are avoided.
- NGOs should help the SHGs in backward as well as forward linkages, as this can provide SHGs with a market support in particular.
- Motivational training programmes should be organized for banks as well. So that they can have a sense of cooperation and positive orientation towards self help group (SHGs)
- Continuously the office because or office heads should be rotated. Women are supplementary earners as well as productive member of the economy society.
- At present the gestation period of an SHGs to avail the loan for economic activity or to get it's grading points, takes almost 1 year. Sometimes SHGs do not get loan from the banks even after more than one year of it's formation. Therefore, to improve this all the authorities of grading, etc should be given to an independent agency for avoiding these kinds of partial hurdles faced by different SHGs.
- SHGs should be encouraged to undertake productive activities instead of traditional unproductive activities.

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