



## Role of Self Help Groups (SHGs) in Rural Women Empowerment: A Case Study with Special Reference to Unnao districts of Uttar Pradesh

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**Abstract:** Poverty is that socio economic condition of human being in which a person is unable to meet basic amenities of life including food ,shelter ,clothing, education ,hygiene and sanitation. According to Social Capabilities Approach pioneered by Dr. Amartya Sen poverty is no longer confined to the issue of income, education ,life expectancy criterion used by UNDP as Human Development Index but rather lacks at the idea of either an individual is able to enjoy the full range of choices or deprive to exercise these choices .These freedom of choices include Civil Rights, access to credit, healthcare ,transparency ,protective security comprises social and economic safety nets such as unemployment benefits, famines and emergency relief. United Nations Development Goals(MDG) Programme reported that 88 million out of 1.2 billion Indians roughly equal to 6.7percent of India's population lived below poverty line in 2018-19.India has made momentous progress in reducing multi dimensional poverty through Self Help Groups. The global multi dimensional poverty was almost halved between 2010 to2020 climbing down 26 percent due to deeper progress among the poorest. India has been a welfare state since independence and the primary objective of all government endeavors has been the welfare of people.

**Keywords:** Self-Help Group, Women Empowerment, Micro finance ,financial inclusion.

### 1. Introduction

In the Rural area 27.1% of the population was living under poverty. The overall unemployment rate is estimated to 7.32%. The Female unemployment rate is 8.5%. The rate of growth of women in the rural areas is 9.8%. In spite of implementation of various schemes as “Swarnajayanti Gram Swarozgar Yojana (SGSY)” April 1999, MNREGA (2005) ,Sampurna Garmin Rojgar Yojana 25 Sept. 2001, National Food for work programs in 14 Nov. 2004 the desired outcomes were not up to mark. So in June 2011 the Government Launched ‘National Rural Livelihood Mission’ (NRLM) subsequently renamed as Ajeevika. **It aims at mobilizing all rural poor household in to self-help Groups (SHGS) in a phased manner with the special focus on the mobilization of women from the schedule caste (SCS) and vulnerable section including women.**

### Micro Finance

In India, micro finance program has a crucial role to play in uplifting people living below poverty line. Poor people have less access to financial services because of their inability to provide collateral security which is demanded by the banks. Micro finance programs have been instrumental in generating employment, income and enhancing living standards of poor in underdeveloped and developing countries. They have good potential for uplifting the economic condition of asset less poor people. Self help group ensures active participation and involvement of the beneficiaries in effective implementation of the progress for socio-economic development. Mohd. Yunus born 1940, a noble prize recipient 2006, is Bangladeshi Banker and developer and founder of concept of micro-credit with the help of micro-finance, women get small loan for business and it gives them an independent means of generating wealth and becoming self reliant in a society .In India Banks is the predominant agency for delivery of Microcredit. In 1970, Ilaben Bhat, founder member of SEWA (Self employed women association) in Ahmadabad, had developed the concept of microfinance.

**The year 1975-85 was declared decay for women .** In 1991-92 NABARD started promoting SGHs the real take off point for the in banks, with the facility of availing bank services.

### Meaning and Characteristics of SHGs

- a- Socio-Economic background who come together for the purpose of addressing their common socio-economic problem through self help and mutual help.
- b- A Self help group SHGs is a small voluntary association of 10-20 people from the same They collect small saving (thrift)



on regular basis, providing small interest bearing loans to its members.

### **Terminology related with Finance of SHGs**

The money which these SHGs collect by pooling their small saving is called **warm money**. The money which SHGs get through Bank and Micro Finance Institutions (MFIs) is called **cold money**.

### **Women Empowerment**

Empowerment is a process of change by which individuals of groups gain power and ability to take control over their lives, It involves access to resources, resulting into increased participation in decision making and bargaining power and increased control over confidence, self-esteem respect, increased well being. It means 'Empowerment' is a multi fold concept that includes economic, social and political empowerment.

Women empowerment is a term that has gained currency in the human development and government discourse amongst the 8<sup>th</sup> Millennium Economic Development Goals, women empowerment is one of the most crucial goals. The word "Women Empowerment" is first announced in 2001 in India. **The World Bank defines empowerment as** "The process of increasing the capacity of individuals or groups to make choice and to Transform those choice in to desired actions and outcomes. The quality of life of the citizen of a nation can be effectively improved only by raising the standard of living of the people on the street and in backward areas. Social empowerment in general and women empowerment is very fundamental in achieving this goal.

**Economic Empowerment : Though empowerments includes, economic social and political and so on, however, this study is restricted to the economic empowerment of women only.** For economic- empowerment it is necessary for a woman to have access to and control over productive resources and to ensure some degree of financial autonomy. Social and political empowerment of women will be achieved only if women are economically empowered. There are 4,19,750 SHGs in Uttar Pradesh. As Rural women play a significant role in the domestic and socio economic life of society and therefore, holistic national development is not possible without development the segment of the society, If women empowerment is to be persuaded as a serious objective by SHG programmes under NRLM in particular and the larger microfinance community in General, the greater emphasis needs to be placed on training, education, creating awareness in order to achieve larger and more lasting empowerment.

### **2. A Brief review of the work already done and Note-worthy contribution in the field:**

**Sonia Chawla (2013)** <sup>(1)</sup> in her paper "Micro Finance: A tool for poverty Alleviation" tries to analyze the role of micro finance alleviation and it also highlights that rural people have very low access to institutional credit from commercial bank in India.

**Rana, Rachita (2016)** <sup>(2)</sup> "During the 11<sup>th</sup> Plan in order to give more thrust to the development of women and children, many new schemes such as integrated child protection scheme, Swayamsidha Phase II, Over hauling, rationalization and expansion of already running schemes such as ICDS are being conceived of . New acts and rules, amendment of existing rules and regulations, may also be brought out. The Schemes of the Ministry like Swashakti, Swayamsidha, STEP and Swavalmban enable economic empowerment. Working Women Hostels and Crèches provide support services. Swadhar and Short Stay Homes provide protection and rehabilitation to women in difficult circumstance. The Ministry also supports autonomous bodies like National Commission, Central Social Welfare Board and Rashtriya Mahila Kosh which work for the welfare and development of women.

**H.D. Seibel (2012)** <sup>(3)</sup> stated in interaction with SHGs two support activities have been designed: (i) establishing a cooperative SOC system (Standardized bookkeeping, reporting, auditing, rating, annual planning; annual elections; legal compliance as per MACs Act; delegation of representatives from SHGs to all federation levels); (ii) capacity building as the social capital formation process by which the SOC system is inculcated in the minds and practices of SHG members, selecting all trainees (book-keepers, auditors, supervisors, financial literacy facilitators) from within the SHGs and building their capacity as internal service providers.

### **3. Scope/Purpose of the Research : Objectives**

- The present study will undertake with the following major objectives.
- To investigate causal relationship between bank linkage programme and asset creation, employment and enhancement in the productivity of women, who join self help group.
- To know various socio economic factors, create obstacle for women in order to join self help group.
- To find out how the condition of women join self help group are different from other women of same locality who have not joined SHGs in positive ways.
- To assess, the impact of SHG on increment in the collective bargaining power of its member women.
- To find the effect on occupation or small ventures started by women though S.H.G on their economic empowerment.



- To know the welfare of women in particular and society as a whole in general after joining SHGs under NRLM and getting rid off from usury moneylenders.

#### 4. Detail of Hypothesis/Model/Theory/Experimental used

##### Hypothesis

- Ho1.- SHGs bank linkage programmer creates productive assets, generate gainful employment, increase per capita income of women and reduces financial dependency of women on their male counter parts..
- Ho2.- There is positive relationship between age and employment of women.
- Ho3.- There is positive relationship between training status of the respondent and empowerment.
- Ho4.- SHGs play an important role in women empowerment.
- Research Methodology : The research is purely descriptive and qualitative in nature. It is based on preliminary observation.
- Area of the study: The study is conducted at SHGs in Unnao and lucknow districts of Utterpradesh. Data related to number of SHGs, women beneficiaries are collected for the period from April 2017 to February 2019 . Research is confined with 3 randomly selected blocks named Sikandarpur Sirausi , Hasanganj blocks, Nawabganj block out of 16 blocks in Unnao district in Utterpradesh.

Sikandarpur Sirausi , Hasanganj , Nawabganj blocks are in Unnao District of Utterpradesh state of India . These blocks belong to Lucknow Division. It is bounded by Unnao block towards east, Safipur block towards north , Chaubepur block towards west, Kanpur block towards south. Unnao city , Jajmau city, Gangaghat town, Kanpur city are near by town to Sikandarpur Sirausi . It is having working population is 34%, female population is 46.4%, female literacy rate is 23.5% out of total literacy rate 59.0% . Hasanganj is bounded by Nawabganj block towards south, Miyanganj block towards west, kakory block towards east , Malihabad is North towards this place . it is only 30 Km. Away from state capital Lucknow towards east .

- Size of sampling : As per UPNRLM report there are 8659 SHGs in Unnao district till December 2020 . So researcher has selected 3 blocks randomly out of 16 blocks. There are 30 SHGs member households are selected through random purposive sampling . Thus  $30 \times 3 = 90$  sample respondent were chosen for study.
- Data Collection: However a lot of data have been gathered by direct personnel interaction with the members of SHGs on a qualitative basis. Various types of secondary data including studies, reports ( district handbook: Unnao, NRLM) and data collected by government and non –government organisations are used for study.

##### • **Tools and Techniques of Data analysis**

The Data collected is represented with the help of tabulation method, using arithmetic means. Multiple regression analysis will be used to describe relationship between women empowerment as independent variables and various factors affecting women empowerment as independent variables.

Multiple regression equation assumes the form

$$Y = a + b_1x_1 + b_2x_2 + b_3x_3 + b_4x_4$$

Y= Women Empowerment

X1= the level of income of women

X2= the level of education of women

X3= the power of decision making of women

X4= the age of women

a, b1, b2, b3, b4, are the constant

Dependent Variables

#### 5. Socio-Economic activities performed by SHGs :

Women are typically poorer than men and have fewer options for earning a livelihood to provide adequate food, housing and education for their children. They are also a change agent of the family.

- Ministry of New and Renewable Energy (MNRE) has sanctioned the 70 lakh solar study lamp scheme to be implemented in five Indian states of Assam, Bihar, Jharkhand, Odisha and Utter Pradesh, where less than 50% households lacked access to grid electricity as on December 2016. May 2017 SOUL Project work was begun at cluster level in four blocks named Safipur, Miyanganj, Sikandarpur sirausi and Hasanganj in unnao district. Although all the cluster groups have



been participated in training held in Dostinagar Unnao, Zila Prashishan Kendra, but charge to assembling and distribution of 43,834 solar lamps out of 20 lakhs in UP. is given to “Chamta Mahila Cluster Sangathan ”on its excellent performance .

For implementation of scheme, Utter Pradesh State Rural Livelihood Mission has signed a Mou with Indian Institute of technology, Bombay(IIT-B) and Energy efficiency and services limited (EESL) will come into partnership . SRLM is acting as Zonal Execution Agencies and is responsible for supervision and monitoring of operations of block Execution Agencies (BEAs). Mission has also signed an MoU with “ Jhansi Rani Sakul Sangh” of Hasanganj, Unnao which is acting as Zonal Execution Agency and is implementing roles of mission .

- Rural Self Employment Training Centres (RSETI) in 15 district of U.P. with financial and technical support of District Management Unit with in short span of time, many of Self Help Groups women’ including rural artisans (chikankari , zarizardozi) started manufacturing required Personal Protective Equipment duly satisfying essential parameters of its quality.
- Self Help Groups women also ensured supply of essential commodities, spreading awareness for social distancing in their respective blocks.

## 6. Current scenario of SHGs in Unnao districts of Utter Pradesh

| Name of state /Districts | No. of blocks | No of SHGs | SC.      | ST.   | Minority | Others   | Sub total | PWD    |
|--------------------------|---------------|------------|----------|-------|----------|----------|-----------|--------|
| Utter Pradesh            | 822           | 4,19,715   | 1,47,961 | 5,118 | 25,175   | 2,34,933 | 4,13,187  | 23,450 |
| <b>Unnao</b>             | 16            | 8659       | 3395     | 43    | 268      | 4871     | 8577      | 417    |
| Name of Block            | -             |            |          |       |          |          |           |        |
| Hasanganj                | -             | 709        | 348      | 06    | 11       | 336      | 701       | 25     |
| Nawabganj                | -             | 689        | 293      | 01    | 22       | 349      | 665       | 32     |
| Sikanderpur Sirosi       | -             | 651        | 163      | 2     | 12       | 474      | 651       | 26     |

Source : Source: Annual development report ( December 2020) NRLM office Vikas Bhawan, Unnao

## 7. Findings and Results :

It is found in research study that out of 90 respondent 60 SHGs members or 67% of women are now sending to their children in primary school, while 27% of women are able to send their children at higher education. 33% of women are still striving to send their children in school due to various family reasons as intoxication of husband, too large size of family .

- On question regarding decision on adopting family planning measures only 35% women are free to take family planning yet all of them are highly aware about their health and benefitted by various Health programmes organised by SHGs in locality regarding vaccination.
- Every home is equipped with toilet due to proper implementation of Swachh Bharat Mission.
- There is a significant reduction in birth, death rate in member households as a result of participation in community health programmes.

Impacts of SHGs on Political Empowerment of rural women : On asking question regarding attending Gram Sabha meeting, exercising of suffrage in Panchayati Raj Institutions, it is found that all the women use their right to vote actively in election as SHGs made them to realise about importance about their right to vote rather than take part actively in gram Sabha meeting ,as they are not being informed about date ,timings and venue of Gram Sabha meeting. Hardly 5percent of SHGs member assemble in Gram Sabha Meeting against 98 percent participation in casting vote in Gram Panchayat election. Hence researcher has reached to the conclusion that although SHGs has made women economically empowered but politically empowered at a lesser sense.

**Role of SHGs on Economic Empowerment of women:** On asking the question regarding household profile it is found in survey that before joining SHGs women are mainly employed in agricultural work but after joining SHGs out of 90 SHGs women benefisries 70 percent women members are involved in non- farm activities like making paper plate, poultry, animal rearing, dairy and manufacturing activities like weaving, embroidery , stretching, paper plate making etc.

- All the women benefisries are now independent from the clutches of non-formal sources of credit like money lenders, gold smith as a result of financial inclusion of bank linkage programmes.
- SHGs member women are now able to save 100 rupees per month through 25 rupees weakly saving.



- It is also found in general group discussion on types of houses, number of livestock women who are SHGs members since more than 5 years they have pucca houses, while new SHGs members are living in cuccha houses, they are spending their increased savings on education of their children first then only after, they will spend money on repairing houses reveals a significant increase in social awareness in favour of U.P. Govt campaign “Paqdhaga India Tabhe to Age Badhega India”.
- On asking the question regarding food security of member household 78 respondents out of 90 women households answers that before joining SHGs they were not getting a single diet in 10 days out of 30 days and even now they are enjoying luxurious food at least 5 days
- In ,Sikandarpur Sirausi and Hasanganj blocks, a large scale employment is created by 70 lakh Solar energy program through providing training of assembling, distribution and repairing.

Women as a SHGs member can earn approximately rupees 7000 -9000 per month through assembling and distributing these solar lamps to school going children and making mask in COVID19 lockdown period.

### **8. Impacts of SHGs on Demographic profile of SHGs members :**

It is found in research study that out of 90 respondent 60 SHGs members or 69% of women are now sending to their children in primary school, while 29% of women are able to send their children at higher education. 33% of women are still striving to send their children in school due to various family reasons as intoxication of husband, too large size of family .

- On question regarding decision on adopting family planning measures only 30% women are free to take family planning yet all of them are highly aware about their health and benefitted by various Health programmes organised by SHGs in locality regarding vaccination.
- Every home are equipped with toilet due to proper implementation of Swachh Bharat Mission.
- There is a significant reduction in birth, death rate in member households.
- There is an increment in literacy rate of rural areas as SHGs create awareness about seeking education in general and about female literacy rate in particular.

Impacts of SHGs on Political Empowerment of women : On asking question regarding attending Gram Sabha meeting, exercising of suffrage in Panchayati Raj Institutions, it is found that all the women use their right to vote actively in election as SHGs made them to realise about importance about their right to vote rather than take part actively in gram Sabha meeting, as they are not being informed about date, timings and venue of Gram Sabha meeting. Hence the present research study has reached to the conclusion that although SHGs has made women economically empowered but politically empowered at a lesser sense. Regular training and workshops are conducted by resource personals enhances working efficiency, thus boost up SHGs members confidence level .

### **9. Problems of SHGs**

1. There is not proper maintenance of records in book keeping.
2. Absenteeism of SHGs members on day of meeting., lack of transparency regarding work distribution under various developmental projects by office bearers of SHGs for example; delay in payment of mask manufactured by SHGs women due to paucity of resource persons ;delinquencies are found in recollection of mask once these masks are distributed among SHGs women for stretching.
3. NRLM. Personals do not preside over weekly meetings held in cluster levels and village levels.

### **10. Suggestions:**

1. A number of workshops and training camps must be organised.
2. Proper propagation of new schemes for SHGs members will be taken place for creating awareness among women.
3. Utilisation of loan for productive purpose rather than domestic uses.
4. NRLM. Should organise exhibition of self made proct by SHGs women to hold true the Indian govt Programme “Vocal for Local”.

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