

# SELF HELP GROUPS AND WOMEN EMPOWERMENT: APPRAISAL OF DRANG BLOCK IN MANDI DISTRICT OF HP

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## ABSTRACT

*The self Help Group (SHG) movement in India has worked in the right path to fulfil the aim of empowering women and eradicating poverty in the rural area. The participation of women in SHG made an important impact on their empowerment both in social and economical aspect. However, women are still not empowered as per the expectation. The present study is conducted in Drang block of district Mandi in Himachal Pradesh. The study is trying to look at the role and performance of SHGs in women empowerment, how SHG impacting on the socio-economic status and their decision-making power in family and community also. The data collected from primary sources. A cluster and random sampling method used to for identification of area and respondent. Closed format questionnaire used for the interview. The percentage tool is used to check the result. The study concludes with an observation that financial autonomy, and participation in community-driven program, self-employment autonomy are only enabling factors to women empowerment*

**Key Words** : Empowerment, Poverty Alleviation, Entrepreneurship, Skill upgradation.

## INTRODUCTION

Women constitute around fifty percent of the total human resources in our economy. In spite of this women are the poor and underprivileged than men as they are subject to many socio- economic and cultural constraints. The situation is more adverse in the rural and backward areas. Women activity must be taken with importance to eradicate poverty, increase the economic growth and for a better standard of living. The empowerment of women is very important for the economic and social development of a nation. To improve the socio-economic condition of the population of any Nation, it has become imperative to empower women by ensuring their role in an optimal level. Any development strategy could not achieve the targeted goal by neglecting the need of participants and contribution of women in the

society. The all around development of a Nation would be possible only when women are considered as an equal partner in progress with men. The economic development and social upliftment of women cannot be possible without the provision of equal economic and social opportunity to women. In developing countries like India, there is a challenge to bring women into mainstream of development (**Sarania, 2015**). The concept of women empowerment comes from the 1st World conference on Women in 1975 at Mexico City. Women started getting special attention after “UN Declaration of the Decade of Women 1975-85” in 1975. The main objective of this was to empower women through the elimination of gender discrimination and provide an opportunity to women to participate in development activities so that women’s contribution would be increased and they provide

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support to strengthen world peace (**WWC, 1975**). After independence, Indian legislation provided several opportunities to women. These include the opportunity in the area of education, employment and politics.

The Indian context, the Government of India has given importance to women empowerment in the country and many schemes have been introduced for the upliftment of women. In the five year plans Indian Government has given an adequate place for women empowerment. The First Five-Year Plan (1951-56) envisaged a number of welfare measures for women consisting of Establishment of the Central Social Welfare Board, the organization of Mahila Mandals (MM) and the Community Development Programmes (CDPs) were a few steps in this direction. In the Second Five-Year Plan (1956-61), the empowerment of women was closely linked with the overall approach of intensive agricultural development programs. Third and Fourth Five Year Plans (1961-66 and 1969-74) supported female education as a major welfare measure. The Fifth Five-Year Plan (1974-79) emphasized training of women, who were in need of income and protection. This plan coincided with International Women's Decade and the submission of Report of the Committee on the Status of Women in India. In 1976, Women's welfare and Development Bureau was set up under the Ministry of Social Welfare. The Sixth Five-Year Plan (1980-85) saw a definite shift from welfare to development. It recognized women's lack of access to resources as a critical factor impeding growth. The Seventh Five-Year Plan (1985-90) focused the need for gender equality and empowerment. For the first time, attention was paid to qualitative aspects such as inculcation of confidence, generation of awareness with regards, to rights and training in skills for better employment. The Eight Five-Year Plan (1992-97) emphasized on empowering women, especially at the grass roots level, through Panchayati Raj Institutions. The Ninth Five-Year Plan (1997-2002) adopted a strategy of women's component plan, under which not less than 30

percent of funds/benefits were earmarked for women-specific programs. The Tenth Five-Year Plan (2002-07) objectives to empowering women through translating the recently adopted National Policy for Empowerment of Women (2001) into action and ensuring survival, protection, and development of women and children through rights-based approach (<http://planningcommission.nic.in/>). The Government of India has launched several programs for poverty alleviation and women empowerment, it is observed that women in rural areas especially, belonging to poor families could not be benefited. So Government of India launched a mother program for rural poor women which is based on group approach on 1 April 1999 namely Swarnajayanti Gram Swarajgar Yojana (SGSY). The main aim of this scheme was to provide self-employment to villagers through the establishment of self-help groups. Activity clusters are established based on the aptitude and skill of the people which are developed to their maximum calibre. Funds are provided by NGOs, banks and financial institutions. Poor families living below the poverty line (BPL) were organized into Self-help groups (SHGs) established with a mixture of government subsidy and credit from investment banks, the principal objective of these SHGs was to uplift these poor families above the poverty line and concentrate on income generation through combined effort.

### CONCEPT OF SELF HELP GROUPS

The concept of Self Help Groups (SHGs) serves the principle of "for the people, by the people and of the people". The Self Help Groups is the brainchild of Grameen Bank of Bangladesh, which was founded by Prof. Mohammed Yunus in the year 1975. Bangladesh has made an effort to bring the women force to the mainstream of the economy, by starting self-help groups in Bangladesh and inculcated the habit of thrift and savings among the poorest (**Rajasekaran & Sindhu, 2013**). In India, National Bank for Agriculture and Rural Development (NABARD) had initiated the formation of SHGs in the year

1986-87, but the real effort was taken after 1991-92 from the linkage of SHGs with the banks. Self-Help Groups are a small group of individual members who voluntarily come together and form an association for achieving a common objective. SHGs are constituted by persons known to one another and coming from the same village community or neighbourhood. SHGs are small in size with 10 to 20 members and are homogeneous. These groups start with saving and not with seeking credit from the group, then uses its savings to extend loans to SHG members to meet their emergency and other assistant needs. The loan given by the SHGs to its members depends on the saving per member, the maximum size of loans, guarantee mechanisms in loan sanctions (Singh, 2013). The concept of SHGs is mainly based on the principle of Saving, Credit and self Help. SHGs are providing employment opportunity by imparting training in order to generate income as well as employment (Sahoo, 2013). Self Help Groups are playing an important role in removing poverty in rural India. It is a group-based approach to self-help which is widely practiced for rural development, poverty alleviation and empowerment of women. It aims to mobilize people, to give them a voice and build people's organizations that will overcome the barriers to participation and empowerment. Self Help Groups serve as a medium of delivering microcredit to the members. Self Help Groups was taking up following task:-

- Social mobilization for the formation of Self Help Groups.
  - Regular meeting and discussion on the common issue in the meeting.
  - Develop the saving habits of its members and provision of revolving funds.
  - Capacity building of SHGs members.
  - Part of the decision making in Gram Panchayat affair, in her family and community.
  - SHGs linkage with bank for loan (Microfinance)
  - Microenterprise development
  - Socio-economic empowerment of SHGs
- As per the NABARD report, 2009-2010 Self

Help Groups program in India has become the most successful programs after Independence. Millions of women joined the program and got the benefit of financial support (credit) from banks with reasonable interest rates. By 2009-2010, the total number of Groups reached a staggering figure of 69.53 lakhs, with an enrolment of 97 million members (NABARD).

#### REVIEW OF LITERATURE

(Sahoo, 2013) analyzed that most of the women in SHGs were in the age group of 30 and women join SHG for taking a loan for personal use. Monthly income and expenditure have been increased after the joining SHG and most of the women accepted/feel that their power has increased in taking decisions after joining SHG's either inside or outside of their family. (Rajasekaran & Sindhu, 2013) argue that there is a need to continuous attempt to inspire, encourage, motivate and co-operate women entrepreneurs and strengthening of SHGs and women SHGs should be provided with more loans from the government on low interest by this they can start her own entrepreneurship and govt should provide more facilities to women entrepreneur. (Singh, 2013) examined that SHGs have served a democratic platform for grassroots development for poor rural women. SHG play role in women empowerment, social- solidarity, and socio- the economic betterment of poor women. SHG promote self-reliance by generating its own funds through saving and credit habits. (Choudhary, 2013) inspected that SHG is a program to reach the poor families, importantly there is evidence of increased household income to join the SHGs by saving habits and taking the loan for personal need or some entrepreneur. Impact indicator of the program is where members took loan from a moneylender to fulfil their urgent need like sickness, disease, emergency and food security, after joining SHGs members taking loan directly from SHGs to meet these expenses. Along with economic freedom, their decision-making at the family level has increased. (Rakesh Chetry, 2014) examine that through Self Help group women members make able to

raise their voice on any platform- from family to community at large. In SHG they learned to handle and earn economic in more reasonable and perfect way. The illiterate members of the SHG make a significant importance in the family and they break the patriarchal convention. **(Tekale, Jadhav, & Shaikh, 2014)** evaluate Rural women participation in Self-Help Groups the change observed in women empowerment were in descending order as women empowered economically, psychology, socially, politically and culturally. There is a need of special attentions to promote SHGs and enrol more and more members in the group by Government and corporate organization. **(Shettar, 2015)** examine that woman empowerment would be achieved if their economic and social status is improved. This could be possible only by adopting definite social and economic policies with a view of the total development of women and to make them realize that they have the potential to be strong human beings. So they have right to get Education, Employment and Change in Social Structure are only the enabling factors to Women Empowerment **(Rabin Das, 2015)** study that through self-help group has a positive outcome on employment and income generation. Organized women in a group increase the income of the families involved and they are able to support their family by the financial way by this they have built their social position in the family. The microcredit has a civilizing effort on their families of self Help group because the majority of women utilized their additional income for the improving and development of their health and education. Now women are an equal partner with man in the decision-making in the family, their decision is also accepted in the family along with husband or other male members.

### OBJECTIVE AND METHODOLOGY

This paper is an attempt to construct a study of women participation in decision making and how socio-economic benefits impacting on women empowerment through microfinance. To define the study area, cluster sampling is used. Mandi district has ten blocks. Further Drang block

is selected for the study. Drang block divided into cluster of Panchayat. Respondent selection is based on the random sampling because group members have common characteristics. The sample selection was guided by the criteria that SHGs should be rural, all women groups, usually have had bank savings accounts for at least five years, promoted by banks or government and nongovernment agencies, doing some income generation activities. To find out expected result data will be collected through interview. A closed format questionnaire will be used for primary data. The collected data are analyzed by classifying and tabulating. The percentage tool is used to examine women empowerment through SHGs.

### SAMPLE EXTENT

Himachal Pradesh is a state of India northern zone. It is spread over 21,495 sq mi (55,673 km) and is bordered by states of J&K (Jammu and Kashmir) on the north, Punjab on the west and southwest, Haryana and Uttar Pradesh on the south, Uttarakhand on the southeast and by the Tibet Autonomous Region on the east. The literal meaning of Himachal Pradesh is "region of snowy mountains" (hpgovt.nic.in). Himachal Pradesh is a small hilly state which the main occupation is agriculture and Horticulture. The total population of Himachal Pradesh is 6856509, in which male population is 34733892 (50.72%) and females are 3382617 (49.27) (Census 2011). Females' ratio per 1000 male is 974, which is more than National sex ratio. Himachal Pradesh is a state of the village, in which only 10% population live in towns and city and rest of population live in the village. Looking in that scenario maximum population lived in villages, so it become important to organized rural women in Self Help Group for poverty alleviation and it is also important for the economic and social development. In Himachal Pradesh total 13200 Self Help Groups registered/formed under the scheme of Swarnajayanti Gram Swarojgar Yojana (SGSY) (www.hprural.nic.in). There are other Self Help Group which is registered or formed by different department like Agriculture, National



Bank for Agriculture and Rural Development (NABARD), Welfare department and voluntary organization. It shows tremendous growth of SHGs in Himachal Pradesh. The present study is focused on Drang block of District Mandi of Himachal Pradesh. Mandi is the central place of Himachal Pradesh. It is a commercial center for its sounding district. Its total population is 999518 in which male population is 496787 (49.7%) and females' population is 502731 (50.3). Female's ratio per 1000 male is 1012, which is enough good with comparison another district of Himachal Pradesh **(Census 2011 HP)**.

The aim of this paper is to examine the role of Self Help Groups in empowering women, how SHGs change the women role in the decision-making process and their socio-economic status. What is the possible suggestion to make SHGs, more effective tool of women empowerment? The present study focused in district Mandi of Himachal Pradesh. Empowerment is understood as an improvement in socio-economic conditions of women which include participative attitude and decision-making power. The Self Help Group which facilitates financial and social issue also provides support to take off conditions.

### OBJECTIVES OF STUDY

- To explore the social and economic benefits derived from SHG's.
- To explore women's participation in decision-making.

### ANALYSIS OF DATA

Analysis of result in this study is based on two dimensions. One, analysis of demographic information and analysis of women empowerment. The age, family system and a number of the dependent in the family are analyzed in demographic information. The purpose of loan, income, savings, expenditure, benefits and powers to take decisions and participation in panchayat level politics are analyzed in women empowerment.

Interpretation of Table 1 Classification of Beneficiary (Age-Wise) - The respondent has been divided into various age groups. Table 1 shows

the age -wise classification of the respondent. It shows that maximum respondent of joined the SHG in the age group i.e. 30-40 and there is a decline in joining the group after the age of 30. It shows women in the middle age they are more interested in joining the SHGs.

**Table 1 :** Classification of respondent (Age-wise)

Age	Number of respondent	%
Less than 20	0	0
20-30	25	25
30-40	45	45
40-50	20	20
Above 50	10	10
Total	100	100

Interpretation of table 2 classification of the respondent (family system-wise) - It illustrates that 65% women have the individual family system and 35 have a joint family. This trend shows that present family system in rural area has lost the significance of joint family system due to changing of the socio-cultural system. The joint family systems protect everyone in the family, irrespective of their age and income.

**Table 2 :** Classification of respondent (Family System-wise)

Family System	Number of respondent	%
Individual	65	65
Joint	35	35
Total	100	100

Interpretation of table 3 number of dependents (dependents wise) - It demonstrates that 63% respondent has 1-2 dependent. This signifies that the Indian rural people are also moving toward one or two kids' norm.

**Table 3 :** Numbers of Dependents

Number of Dependents	Number of respondent	%
1-2	63	63
3-4	36	36
5-6	1	1
Above 6	0	0
Total	100	100.00

Interpretation of table 4 occupational structure (pre and post)- it shows that pre and post analysis of respondent occupation. This indicates that women have a different occupational history. Post SHG women changed their traditional occupation and start doing such occupation that enhances their livelihood

and lifestyle. 42% respondent start agriculture and horticulture and 26% respondent start income generation activity. There was a change or shift into the work pattern of women now they have involved herself in this activity where they can get wealth.

**Table 4 :** Occupational Structure (Pre and Post)

Statement	No. of respondent	Pre SHG occupation (%)	No. of respondent	Post SHG occupation (%)
No occupation	8	8	0	0
Rearing cattle	18	18	8	8
Agriculture/Horticulture	21	21	42	42
Seasonal labour	39	39	12	12
Weaving/Handicraft	12	12	12	12
Other IGA (sewing, knitting, pickle making)	2	2	26	26
Total	100	100	100	100

Interpretations of table 6 credit/debit -Show that 78% respondent take a loan from money lender for their domestic and immediate need before SHG. The impacts of SHGs show that after

join SHGs 59% respondent didn't take any loan from money lend. The trend shows that SHGs provide a loan to respondent for their immediate or domestic necessity.

**Table 5 :** Credit/Debit

Statement	No. of respondent	Yes (%)	No (%)
Had you taken loans from money lenders before joining the SHG?	100	78	22
Do you take loan from moneylender after joining the SHG?	100	41	59
Do you still take mortgage loan after joining SHG?	100	7	93

Interpretation of table 7 investments and credit utilization- It illustrate that 85 % respondent take the loan from SHGs. In which 100% loan utilized in income generation activity i.e. tailoring and cutting and knitting work to purchases the machine and raw material. 33.34% respondent utilized loan on illness to take better medical treatment. 100% respondents has repayment loan on time to SHG.

SHGs. They start income generation activity (IGA) to enhance their economic standard.33.34% respondent accept they have not get the benefits of increased income. 100% respondent developed the saving habit in SHGs. They regularly contributed the monthly saving amount in SHG, that makes a habit of regular saving. 60% respondent didn't have decision-making power. 65 % respondent accept they have not got any kind of training (capacity building, Govt. Scheme information, and training of income generation activity) 55% respondent says that they

**Table 6** : Investment and credit utilization

Sr.No.	Statement	No. of respondent	Yes (%)	No (%)
1	Do you take loan from SHG	100	85	15
2	Do you utilize credit for income generation activity	100	100	0
3	Purchase of tailoring/weaving/handicraft machine	100	54	46
4	Purchase of cattle	100	33	67
5	Open a shop/tea stall/other	100	63	37
6	Agriculture/ Horticulture activity	100	22	78
7	Other income generation	100	67	33
8	Do you utilize credit for non productive activities	100	45	55
9	Credit use for house construction/litigation	100	22	78
10	Marriage/ any function	100	57	43
11	Illness/	100	34	66
12	Have you repayment the loan on time	100	100	100

organized collective expression of grievance (drive sanitation campaign in her village) and

45% respondent didn't take part in this type of activity.

**Table 7** : Benefits received after joining SHG's.

Statement	Opinion			
	No of beneficiary	Agree (%)	Disagree (%)	No opinion
Increased income	100	100	0	
Developing saving habits	100	100		
Better Decision making power	100	40	60	
Access the promotional assistant	100	35	65	
Organized and collective expression of grievance	100	55	45	

Interpretation of table 9 empowerment through SHG- Show the impact of SHG on women empowerment. 100% respondent says they are able to contribute to family income. Respondent is able to contribute to family income through small saving. 55% respondent says that they have not received any kind of skill up gradation training to enhance their skill. 100% respondents have the better understanding of banking operation. They can deposit and withdraw money in the bank. 65% respondents feel that they don't have improved communication and leadership.

Respondent. 90% respondent didn't take decision independently in family, village and in public representation forum. It shows respondent elected in public representation but they cannot take decision independently. It happens due to male domination in the rural society where women have less power to take the decision in the family matter and in the community. 76% respondents don't have awareness on the social issue like child marriage, dowry, education, old age pension, widow pension.

**Table 8** : Empowerment through SHG

Statement	No. of respondent	Agree (%)	Disagree (%)
Able to contribute towards family income	100	100	0
Skill up gradation	100	45	55
Understand the banking operation	100	100	
Better leadership and communication skill	100	35	65
Awareness in health education	100	28	72
Take decision in community, village and in household (Gram Sabha and Gram Panchayat)	100	10	90
Awareness on social issue (Child marriage, Dowry, education, old age pension, widow pension)	100	24	76

### CONCLUSION

The productivity and efficiency increased when there are a proper environment and facilities to grow up. Such type of facilities and schemes to enhance the socioeconomic level of the people has introduced by govt in a several way. So to measure the socioeconomic impact of SHG's on women empowerment, the present study shows that participation in SHG has improved the access to credit, this has helped women to reduce their dependency on money lender. The woman has invested credit obtained from SHG on new economic activity and strengthening old activity to enhance their livelihood. SHG provide a platform to women to start own entrepreneur with the support of SHG credit and also to discuss social issues in the group. They contributed in monthly income of household that indicate the contribution in somehow they reduce the gender inequality and sustained the poverty which is not transit to next generation. They collectively organized for the community-related issue and contributed unit to prevent them. SHG develop a habit of saving among women, mobility, and interaction, it reflects women come out four walls of the house. Another side of the study shows due to lack of proper rating/ categorization they have limited sources for economic development activity. They have not got any kind of promotional assistance from agencies to enhance their skill; still, they are doing their traditional

income generation activities. Their decision making power is still on edge, for this, they are totally dependent on male, this shows that the society is still male dominated and women are pushed to the walls in the decision-making process. Although SHGs helps women somehow in economic independence and their involvement in development process increased, but there are other aspects, where women made less progress and need to pay more attention, so they can also contribute to development.

### SUGGESTION

On the basis of the study, it is suggested for balanced development and proper utilization of SHGs strength, need proper rating and categorization, categorize SHGs on the basis of their capacity or skill. A proper capacity building training and skill up gradation on different issues related to their competence and availability of resources, bookkeeping, about Govt. Scheme organized on the periodically basis. Motivate SHG women to participate in Govt. Sponsored community-driven programs and other community development program, so leadership and decision making capability should be built.

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