

## **“Emergence and Activities of Self-Help Group (SHG)-A Great Effort and Implementation for Women’s Empowerment as well as Rural Development.”-A Study on Khejuri CD Blocks in Purba Medinipur, West Bengal**

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**Abstract:** *The budding social consciousness from corner to corner of the globe has brought a number of issues to the fore among which gender impartiality and empowerment of women are very noteworthy. Discrimination against women in the form of male-female segregation reflects the core of the gender-biased structure. The education is the biggest therapeutic power and the rise in the levels of education which nourishes progressive stance and the beginning of industrialization and modernization have effected a sea change in the attitudes and thinking prototype of the citizens. The empowerment is not fundamentally political single-handedly in fact; political empowerment will not be successful in the deficiency of economic, socio-cultural and environmental empowerment. Women empowerment is a progression in which women confront the presented norms and culture, to efficiently encourage their well being. The involvement of women in Self Help Groups (SHGs) made a momentous impact on their empowerment both in social and economical aspects. This study addresses women empowerment as well as rural development through self help groups of Khejuri CD Blocks in Purba Medinipur district of West Bengal. The information requisite for the study has been collected from both the primary and secondary sources. A multistage random sampling method has been followed. Average and percentage analysis was accepted out to draw significant interpretation of the results. Factor analysis was used to measure the relationship between the observed variables. The outcome of the study revealed that the SHGs have had greater impact on both economic and social aspects of the beneficiaries.*

**Key words:** *Social consciousness, Woman empowerment, gender-biased structure, SHG and rural development.*

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### **I. Introduction**

☞ **“Women empowerment and their full participation on the basis of equality in all spheres of society including participation in the decision making process and access to power are fundamental for the advancement of equality, development and peace.”**

**-Beijing Declaration**

☞ **“Millions of women in our hamlets know what unemployment means. Give them access to economic activities and they will have access to power and self-confidence to which they hitherto have been strangers.”**

**- Mahatma Gandhi**

The empowerment of women is one of the vital issues in the progression and improvement of countries all over the world. In India, women Empowerment is a buzz word to-day. As a nation, India is committed to the empowerment of women. Though women is regarded as “the unsung heroine who works from dawn to dusk”, yet it is unfortunate that even the ignorant and worthless men had been enjoying superiority over women which they do not be worthy of and should not to have.

UNDP has documented two key routes as decisive for empowerment. The first is social mobilization and collective agency, as poor women often lack the basic capabilities and self-confidence to counter and challenge existing disparities and barriers against them. Often, change agents are needed to catalyze social mobilization consciously. Second, the process of social mobilization needs to be accompanied and complemented by economic security. As long as the disadvantaged suffer from economic deprivation and livelihood insecurity, they will not be in a position to mobilize (UNDP 2001). In many developing countries (especially in South Asia), one strategy which has been found to be promising is participatory institution building in the self-help groups, often coupled with savings and micro credit loans (ESCAP, 2002).

A self-help group (SHG) is a village-based financial intermediary usually composed of 10–20 local women. Self help groups (SHGs) have appeared as popular method of working in the company of people in recent years. This movement comes from the people’s desires to meet their needs and determine their own destinies through the principle “by the people, for the people and of the people”. This article is a eloquent study of the SHGs promoted by Primary Agricultural Credit Societies (PACS) of Khejuri Cd Blocks of Purba (East)

Medinipur in West Bengal, India. A sample of 19 SHGs consisting of 190 members have been taken to study the various aspects of the SHGs viz. educational profile, economic status and occupational pattern etc. pre and post SHG formation. It is found that most of the members of SHGs are economically weak. The overall findings of the study suggest that SHG – Bank Linkage through PACS has significantly improved the access to financial services for the rural poor and has considerable positive impact on the socioeconomic conditions and the reduction of poverty of SHG members and their households. It has also empowered women members substantially and contributed to increased self confidence and positive behavioral changes in the post-SHG period as compared to the pre-SHG period.

## **II. Statement of the Problem**

Women in India have been oppressed culturally, socially, economically and politically for centuries. They are exploited at home, in the families, in the society and in the country. In the multi-ethnic and multi-cultural society like that exists in India, such exploitation takes various forms. The core of the problem is that they shoulder a number of responsibilities, but they are not given adequate participatory or decision making power in the family or elsewhere. Women can gain such power, if their economic status, cultural and social status improves. Such type of overall improvement of the power is known as women empowerment.

The empowerment of women is one of the central issues in the process of development of countries all over the world. West Bengal has a glorious tradition of recognizing the importance of empowering women over several decades. Involvement in Self Help Groups has enabled women to gain greater control over resources like material possession, intellectual resources like knowledge, information, ideas and decision making in home, community, society and nation. Thus empowerment means moving from a position of enforced powerlessness to one of the power. There are various indicators that define women empowerment. These indicators are Mobility, Autonomy, Decision Making, ownership of Household assets, Freedom from domination in the family, Political and Legal awareness, Participation in social and development activities, contribution to family expenditure, Reproductive rights, Exposure to information media, Participation in development programmes. This state of affairs raises the following questions:

- ☉ Are the women members of SHGs in the selected area empowered?
- ☉ To what extent the selected women members of SHGs are empowered?
- ☉ Has the extent of women empowerment improved over a period of time?
- ☉ What are the factors influencing women empowerment?
- ☉ To what extent SHGs have played their role in women empowerment?

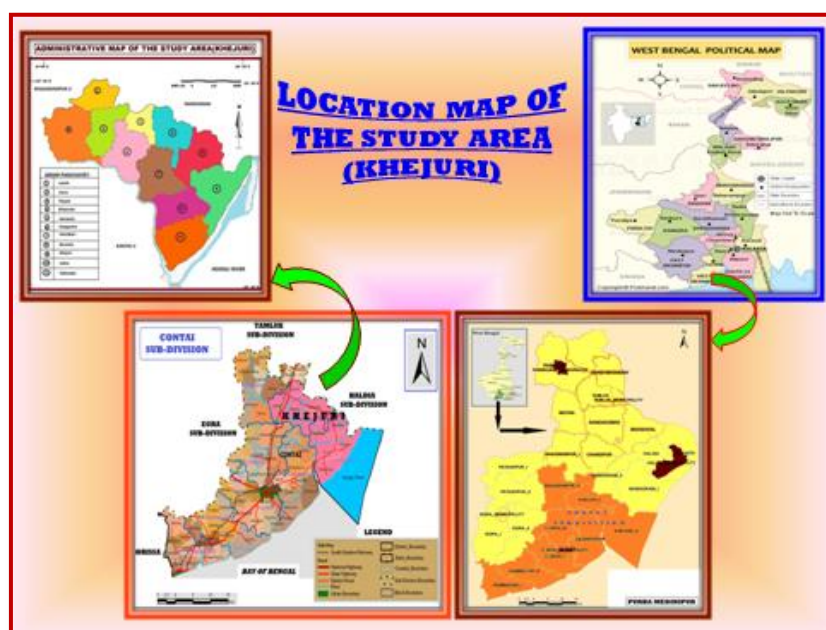
The present study attempts to find answer to all the above questions. In the process, it deals with all the indicators of women empowerment. The study also analyses the attitude of SHG members towards women empowerment.

## **III. Methodology**

The study has been conducted in Khejuri-I and II Blocks of Purba Medinipur district, W.B. Khejuri is located near coastal Bay of Bengal. There are 11 gram panchayats in two blocks where 698 SHGs have been formed. About 95 per cent of these groups envelop women only. All these groups have been developed by the direct assistance of gram panchayat and panchayat samity. For the purpose of the study 190 women SHGs from 19 gram panchayats (taking 10 SHGs from each Panchayat) have been selected at random. For the purpose of the study multi-stage random sampling method has been accepted. The criteria of stratification are status of education, income of family and family member. Care was taken to attach importance to their activity and group status. The primary data was collected through personal interview and observation method. A well structured schedule has been canvassed to them and interview method has been adopted to record their opinions on the impact of SHGs on income and employment generation, social and familial status. Secondary data was also collected from different books and journals, state and district panchayat dept., NGOs and their published report for the recent years with 2009-2010 has been used for the study. Various journals and books were also studied to get acquainted with related concepts and methodologies used for analysis. Average and percentage analysis was accepted out to draw significant interpretation of the results. Factor analysis was used to measure the relationship between the observed variables.

## **IV. Objectives**

- ☉ To analyze the reasons for joining SHG.
- ☉ To study the structure conduct and performance of self help groups.
- ☉ To find the impact of SHGs in women.
- ☉ To evaluate the socio-economic profile of SHG women and the role of the Self Help Groups in the socio-economic development of the society.
- ☉ To evaluate the progress empowering the socio-economic, cultural, political and environmental aspects made by the Self Help Group.
- ☉ To recommend appropriate measures for better functioning of the Self Help Group.



**Figure: - Location Map of the Study Area**

## **V. Origin OF SHGs**

The origin of Self Help Groups (SHGs) is the brainchild of Grameen Bank of Bangladesh, founded by Prof. Mohammed Yunus in 1975, who tried out a new approach to rural credit in Bangladesh. Grameen gave loans without asking borrowers either to provide collateral or engage in paper work. In India NABARD initiated SHGs in the year 1986-87. But the real effort was taken after 1991-92 from the linkage of SHGs with the banks. A SHG is a small economically homogeneous affinity group of the rural poor voluntarily coming forward to save a small amount of money regularly, which is deposited in a common fund to meet the members' emergency needs and to provide collateral free loans decided by the group. The SHGs have been recognised as useful tool to help the poor and as an alternative mechanism to meet the urgent credit needs of poor through thrift (N. Thalavai pillai and S. Nadarajan 2010).

## **VI. Concept OF SHG**

Self – Help Group (SHG) is a small voluntary association of poor people, preferably from the same socioeconomic background. They come together for the purpose of solving their common problems through self-help and mutual help. The SHG promotes small savings among its members. The savings are kept with a bank. This common fund is in the name of the SHG. Usually, the number of members in one SHG does not exceed twenty. The concept of SHG is based on the following principles:

- ♣ **Self-help supplemented with mutual help can be a powerful vehicle for the poor in their socioeconomic development;**
- ♣ **Participative financial services management is more responsive and efficient;**
- ♣ **Poor need not only credit support, but also savings and other services;**
- ♣ **Poor can save and are bankable and SHGs as clients, result in wider outreach, lower transaction cost and much lower risk costs for the banks;**
- ♣ **Creation of a common fund by contributing small savings on a regular basis;**
- ♣ **Flexible democratic system of working;**
- ♣ **Loaning is done mainly on trust with a bare documentation and without any security;**
- ♣ **Amounts loaned are small, frequent and for short duration;**
- ♣ **Defaults are rare mainly due to group pressure and Periodic meetings and non-traditional savings.**

Micro finance programmes are currently being promoted as a key strategy for simultaneously addressing both poverty alleviation and women's empowerment. Before 1990s, credit schemes for women were almost negligible. There were certain misconception about the poor people that they need loan at subsidized rates of interest on soft terms, they lack skills, capacity to save, credit worthiness and therefore are not bankable. Nevertheless, the experiences of several and SHGs reveal that rural poor are actually efficient managers of credit and finance. Availability of timely and adequate credit is essential for them in their enterprises rather than subsidies. Earlier government efforts through various poverty alleviation schemes for self-employment by

providing credit and subsidy received little success. Since most of them were target based involving various government agencies and banks.

## VII. Meaning Of Empowerment

Empowerment is not essentially political alone; it is a process having personal, economic, social and political dimensions with personal empowerment being the core of the empowerment process. In fact political empowerment will not succeed in the absence of economic empowerment. The Scheme of Micro-financing through SHGs create empowerment promoting conditions for women to move from positions of marginalisation within household decision making process and exclusion within community, to one of greater centrality, inclusion of voice.

Mayoux's (2000) definition of empowerment relates more directly with power, as “a multidimensional and interlinked process of change in power relations”. It consists of:

- ❖ **‘Power within’, enabling women to articulate their own aspirations and strategies for change;**
- ❖ **‘Power to’, enabling women to develop the necessary skills and access the necessary resources to achieve their aspirations;**
- ❖ **‘Power with’, enabling women to examine and articulate their collective interests, to organize, to achieve them and to link with other women and men’s organizations for change; and**
- ❖ **‘Power over’, changing the underlying inequalities in power and resources that constrain women’s aspirations and their ability to achieve them. These power relations operate in different spheres of life (e.g., economic, social, political) and at different levels (e.g., individual, household, community, market, institutional).**

The Social processes of Micro financing programmes strengthens women’s self esteem and self worth, in still a greater sense of awareness of social and political issues leading to increased mobility and reduced traditional seclusion of women. Most importantly micro-finance programmes enable women to contribute to the household economy, increasing their intra-household bargaining power. Thus, micro financing through Self-help groups has transferred the real economic power in the hands of women and has considerably reduced their dependence on men. But the lack of education often comes in the way and many a times they had to seek help from their husbands or any other educated man/ woman for day-to-day work. The political as well as economic empowerment will not succeed in the absence of women education in skills and vocations they require the most.

The Governments in developing countries therefore must take effective steps to enrol the members of SHGs in the Schemes of open schooling or any other distance mode to impart education. Although it is also true that economic empowerment alone does not always lead to reversal in gender relationship.

## VIII. Characteristics of SHGs and Respondents

### ☉Age Structure of Respondents

The study population is dominated by women within the ages of 32-38, 39-45, 25-31 and 46-52 cohorts constituting about 31, 20, 19 and 15 percent respectively. It was however noted that only 7 and 6 percent of the women between the ages of 18-24 and 53-59 are into self help groups. This was attributed to the fact that most young women within this age cohort are usually in school. The composition of the ages of the respondents is shown in Table-2 with more women being in the economically active population.

| Age Groups (Years) | Frequency  | Percentage (%) |
|--------------------|------------|----------------|
| 18-24              | 13         | 6.8            |
| 25-31              | 36         | 19.0           |
| 32-38              | 59         | 31.1           |
| 39-45              | 38         | 20.0           |
| 46-52              | 28         | 14.7           |
| 53-59              | 11         | 5.8            |
| >59                | 05         | 2.6            |
| <b>Total</b>       | <b>190</b> | <b>100.00</b>  |

Source: Field Survey, 2014

### ☉Marital Status of Respondents

Issues relating to marriage are critical to the success and the level of empowerment of SHGs. Data gathered through the field survey indicates that about 73 percent are married with about 4 percent are divorced. It can be observed from the above figure that about 88 percent of women in the various SHGs have ever been married. This background of respondents is good for women’s empowerment as the benefits these women derive from the groups will trickle down to improve the wellbeing of their families.

| <b>Table No.-2: Marital Status of Respondents from SHG</b> |                  |                       |
|--|------------------|-----------------------|
| <b>Marital Status</b>                                      | <b>Frequency</b> | <b>Percentage (%)</b> |
| <b>Single</b>  | <b>23</b>        | <b>12.1</b>           |
| <b>Married</b>   | <b>138</b>       | <b>72.6</b>           |
| <b>Divorced</b>  | <b>08</b>        | <b>4.2</b>            |
| <b>Widowed</b>   | <b>21</b>        | <b>11.1</b>           |
| <b>Total</b>   | <b>190</b>       | <b>100.00</b>         |
| <b>Source: Field Survey, 2014</b>                          |                  |                       |

**●Educational Characteristics of Respondents**

The educational background of the respondents has a strong relationship with the success or otherwise of the activities of SHGs. The study showed that about 75 percent of women in SHGs have had some level of education. Figure 4.2 shows the various levels of education attained by the various respondents. Figure 4.2 above provides the basis and deeper understanding of the objectives of these groups. Again, the level of education of the respondents has facilitated the empowerment process by making members of the groups understand issues like savings, loan repayment and home keeping.

| <b>Table No.-3: Education Status of Respondents from SHG</b> |                  |                       |
|--|------------------|-----------------------|
| <b>Education Status</b>                                      | <b>Frequency</b> | <b>Percentage (%)</b> |
| <b>None</b>  | <b>07</b>        | <b>3.7</b>            |
| <b>Primary</b>   | <b>46</b>        | <b>24.2</b>           |
| <b>Junior High</b>   | <b>67</b>        | <b>35.3</b>           |
| <b>High</b>  | <b>44</b>        | <b>23.2</b>           |
| <b>H. S.</b>   | <b>18</b>        | <b>9.4</b>            |
| <b>Above H.S.</b>  | <b>08</b>        | <b>4.2</b>            |
| <b>Total</b>   | <b>190</b>       | <b>100.00</b>         |
| <b>Source: Field Survey, 2014</b>                            |                  |                       |

**●Occupational background of respondents before joining SHGs: -**

The study of the occupational background of the respondents revealed a progressive change in the occupation. Before joining SHGs they were engaged in small scale industries as well as wage employment like maid servant etc.

The respondents who were engaged in wage employment constitute a 25%. Since their employment was seasonal and paid low wages and a major portion of the respondents which was 57%, were un-employed or house-wife, they moved into the SHGs for the income generating activities. It has provided them more working opportunities. About 7% beneficiaries were engaged in self employment activity and remaining 11% were engaged in small scale industries. Thus SHGs have helped them either to move into the self employment activities or to move from health hazardous occupation into the healthy occupation. The earning from the small scale industries was highly irregular, work for wage labour was seasonal and the income of the self employed was scanty as revealed by the respondents at the time of interaction by the group of SHGs.

| <b>Table No.-4: Occupational Status of Respondents from SHG</b> |                  |                       |
|---|------------------|-----------------------|
| <b>Source of Income</b>   | <b>Frequency</b> | <b>Percentage (%)</b> |
| <b>Wage labour</b>  | <b>48</b>        | <b>25.3</b>           |
| <b>Small scale industries</b>                                   | <b>21</b>        | <b>11.1</b>           |
| <b>Self employment</b>  | <b>13</b>        | <b>6.8</b>            |
| <b>Unemployment / House-wife</b>                                | <b>108</b>       | <b>56.8</b>           |
| <b>Total</b>  | <b>190</b>       | <b>100.00</b>         |
| <b>Source: Field Survey, 2014</b>                               |                  |                       |

**●Source of Capital**

Source of capital available to the Self Help Groups for starting income generating activities include Self Help Group savings, financial assistance through Government Schemes, Capital received from the friends, relatives, cooperative banks, commercial banks and money lenders. Capital information is regarded as one of the important and principal factors in economic development. According to Ragner Nurkse, the vicious circles of poverty in underdeveloped countries can be broken through capital formation.

Generally in the rural economy money lenders play a very vital role. The inadequate finance at reasonable rate is the main cause of entrepreneurial backwardness. The formation of SHGs has facilitated pooling of resources, enabled the members to raise funds for productive purpose. This fact is revealed in this study.

| <b>Table-5: Source Of Capital</b> |                   |
|-----------------------------------|-------------------|
| <b>Source of Capital</b>          | <b>Share in %</b> |
| <b>SHGS</b>                       | <b>35</b>         |
| <b>Government</b>                 | <b>32</b>         |
| <b>Banks</b>                      | <b>21</b>         |
| <b>Family/Relatives</b>           | <b>05</b>         |
| <b>Money lenders</b>              | <b>03</b>         |
| <b>Others</b>                     | <b>04</b>         |
| <b>Total</b>                      | <b>100</b>        |

**Source: Field Survey, 2014**

The study of the source of capital to the respondent has indicated that a major share of capital is mobilized by the group through the small savings. 35% of the capital was mobilized through the savings of the SHGs themselves. This indicates that SHGs have succeeded in mobilizing their own resources for taking up farming and non-farming income generating activities and the share of the bank i.e., commercial banks and co-operative banks also has increased to the level of 32%. The various government employment generation schemes such as SGSY, NREGS etc are implemented through the commercial, co-operative banks and the Panchayats.

The importance of the money lenders, relatives etc have decreased rapidly in recent years due to the increased importance of the rural banking schemes and micro credit programmes. The role of commercial banks in rural development has been increased rapidly in the modern society. Government to help the destitute women population has come out with the SHG scheme.

**☉ Motivational factor for joining SHGs for income generating activities: -**

Majority of respondents are motivated by the PACS. Primary Agricultural Credit Societies are playing a very significant role in organizing SHGs and motivating them to take up farming and non-farming income generating activities. Majority of the respondents are motivated by the PACS to join the SHGs. Almost all respondents revealed that their participation in the SHG has facilitated to take part in farming and non-farming income generating activities.

| <b>Table-6: Motivational factor for joining SHGs</b> |                              |                         |
|--|------------------------------|-------------------------|
| <b>Inspiring Factors</b>                             | <b>Number of Respondents</b> | <b>% of Respondents</b> |
| <b>Self-interest</b>                                 | <b>18</b>                    | <b>9.5</b>              |
| <b>Friend's/Relative's inspiration</b>               | <b>31</b>                    | <b>16.3</b>             |
| <b>PACS</b>  | <b>74</b>                    | <b>38.9</b>             |
| <b>Government</b>                                    | <b>39</b>                    | <b>20.5</b>             |
| <b>Family Support</b>                                | <b>11</b>                    | <b>5.8</b>              |
| <b>NGOs/Others</b>                                   | <b>17</b>                    | <b>9.0</b>              |
| <b>TOTAL</b>   | <b>190</b>                   | <b>100</b>              |

**Source: Field Survey, 2014**

**IX. SHG as a Strategic Tool for Women's Empowerment**

Basically, Women's empowerment is the process in which women individually and collectively become active, knowledgeable and goal oriented actors who take/or support initiatives to overcoming gender inequalities. Hence, Women's empowerment refers to a strategy to achieve gender equality as well as to the inherent capacity building processes and various other factors. SHGs have, in fact, emerged as one of the major strategies for the convergence of services and activities. The SHGs across states have focused on skill development, facilitating generation, gaining access to credit from financial institutions for micro enterprises/projects, inculcating of thrift: and management of credit for the economically deprived sections of women. The SHG is a homogenous group of rural people including women who decide to form voluntary organization for small saving amounts, known as “corpus” of the group out of which productive and contingent credit requirement of the members of the group could be met with.

The concept development and empowerment have overlapping dimensions, particularly in the context of women's advancement. As for women's empowerment is concerned, both the components namely attitudinal empowerment and material advancement are necessary. Strategies for empowerment, must, therefore, focus on economic restructuring, to include restructuring of social relations which constraint and restrain women. The practical approach towards poverty alleviation should be “promotion of self help” among the poor. Indian women always have shown extraordinary dynamism in organizing themselves for income generation. Membership with a group gives women the “visibility” and provides them a legitimate forum to articulate their needs. It permits a gradual building of their capacity through sharing that enhances participatory development.

## **X. SHGs and Comprehensive Empowerment of Women in the study area**

It is evident that government has continuously tried to allocate resources and formulated policies for the empowerment of women. But it has become strikingly clear that political and social forces that resist women's right in the name of religious, cultural or ethnic traditions have contributed to the process of marginalization and oppression of women. The basic issue that prevents women from paying full participatory role in nation building is the lack of economic independence. Planners and policy makers have been eagerly searching for certain alternatives. The participatory approach to development has emerged as a vital issue in development policies and programmes for women. SHGs are considered as one of the most significant tools to adopt participatory approach for the economic empowerment of women. It is an important institution for improving the life of women on various social components. The basic objective of an SHG is that it acts as the forum for members to provide space and support to each other. This group generally comprises very poor people who do not have access to formal financial institutions. It enables its members to learn, to cooperate and work in a group environment.

SHG encourages women to form voluntary association and emerge as a group of saver-cum-borrowers. These groups develop habit of savings for its members. My study shows that saving is made on monthly basis. Depending on the economic status of the group members, women save Rs. 30 to Rs. 100. The sources of income for savings were found different, such as income from new business or micro enterprises (52%), family income (36%) and others. Majority of the respondents (69.28%) are able to continue their monthly savings on regular basis, whereas 30.72 per cent have failed to do so. The major reasons of such failure are family's poor economic condition, utilization of bank loan for other purposes, lack of group coordination and so on. Generally after 6 months of operation members are entitled to get loan. Government provide same amount of subsidy as they save for 6 months.



**Model-1:- Functional Dimensions of SHG**

Finally bank provides loan which is 4 times of total savings of group members. But my study reveals that such type of rule is not maintained properly. Here the amount of loan and the number of loaners are decided by the members in their group meeting depending on total savings, need and urgency. Data show that 39 per cent of total loaners are given loan at least after 9 months of group formation. In some cases, particularly for second grading, the role of bank personnel is vital where they fix the amount of loan on the basis of performance of previous loan repayment. Out of 1172 group members 976 persons (83.28%) are given loan at an interest rate between 8.5 per cent and 10.5 per cent per annum though it varies from time to time depending on amount of

loan. The total amount of loan provided to SHG members is Rs. 60, 44,850/- to take up economic and other activities. The average loan provided to each member works out to Rs.6, 193/-. 49.34 per cent received loans are less than Rs. 5,000/-, 57 per cent received loans are in between Rs.5, 000/- to 10,000/-, 9 per cent received loans are between 10,001/- to Rs.20, 000/- from the bank. Repayment period of such loans is determined on the basis of joint consultation by bank and group members. In the study, it was found that a total amount of Rs.60, 44,850/- was provided to 976 group members as loan and majority of them (82.68%) utilized the loan for productive purposes as shown in Table-7.

| <b>Purpose of loan</b>         | <b>No. of Members</b> | <b>Average Loan Amount per member (Rs./-)</b> | <b>Total Amount of Loan Received (Rs.)</b> |
|--------------------------------|-----------------------|---|--|
| <b>Petty (small) Business</b>  | <b>307</b>            | <b>4,800</b>                                  | <b>14,73,600</b>                           |
| <b>Embroidery</b>              | <b>162</b>            | <b>7,200</b>                                  | <b>11,66,400</b>                           |
| <b>Agriculture</b>             | <b>118</b>            | <b>9,600</b>                                  | <b>11,32,800</b>                           |
| <b>Poultry or Duck farming</b> | <b>99</b>             | <b>6,400</b>                                  | <b>6,33,600</b>                            |
| <b>Dairying</b>                | <b>98</b>             | <b>6,625</b>                                  | <b>6,49,250</b>                            |
| <b>Goatary</b>                 | <b>87</b>             | <b>5,100</b>                                  | <b>4,43,700</b>                            |
| <b>Tailoring</b>               | <b>41</b>             | <b>5,000</b>                                  | <b>2,05,000</b>                            |
| <b>Telephone Booth</b>         | <b>23</b>             | <b>7,000</b>                                  | <b>1,61,000</b>                            |
| <b>Tea Shop</b>                | <b>23</b>             | <b>3,500</b>                                  | <b>80,500</b>                              |
| <b>Cloth Business</b>          | <b>18</b>             | <b>5,500</b>                                  | <b>99,000</b>                              |
| <b>TOTAL</b>                   | <b>976</b>            | <b>6,193.50</b>                               | <b>60,44,850</b>                           |

**Source: Official Survey(Secondary Data), 2014**

The data show that the members of the group took loans for different purposes. 48.05 per cent of total members availed of loans for petty business and embroidery. They also received loan for farm-related activities like raising crops and other agricultural activities, dairying, goatary and poultry or duck farming. Except small business and embroidery, the members also received loans for non-farm activities like tailoring, telephone booth, and tea shop and cloth business.

In fact, any financial assistance, if utilized properly generates gainful employment opportunities. Positive sign of employment generation was found in rural economy of Khejuri. It was observed in the field survey that SHG members got gainful employment opportunities as shown in Table-8.

| <b>Purpose of loan</b>         | <b>No. of Members</b> | <b>Average Employment Generated (Person days)</b> | <b>Total Employment Generated</b> |
|--------------------------------|-----------------------|---|-----------------------------------|
| <b>Petty (small)Business</b>   | <b>307</b>            | <b>225</b>  | <b>69,075</b>                     |
| <b>Embroidery</b>              | <b>162</b>            | <b>180</b>  | <b>29,160</b>                     |
| <b>Agriculture</b>             | <b>118</b>            | <b>135</b>  | <b>15,930</b>                     |
| <b>Poultry or Duck farming</b> | <b>99</b>             | <b>90</b>   | <b>8,910</b>                      |
| <b>Dairying</b>                | <b>98</b>             | <b>88</b>   | <b>8,624</b>                      |
| <b>Goatary</b>                 | <b>87</b>             | <b>105</b>  | <b>9,135</b>                      |
| <b>Tailoring</b>               | <b>41</b>             | <b>195</b>  | <b>7,995</b>                      |
| <b>Telephone Booth</b>         | <b>23</b>             | <b>300</b>  | <b>6,900</b>                      |
| <b>Tea Shop</b>                | <b>23</b>             | <b>240</b>  | <b>5,520</b>                      |
| <b>Cloth Business</b>          | <b>18</b>             | <b>260</b>  | <b>4,680</b>                      |
| <b>TOTAL</b>                   | <b>976</b>            | <b>170</b>  | <b>1,65,929</b>                   |

**Source: Official Survey(Secondary Data), 2014**

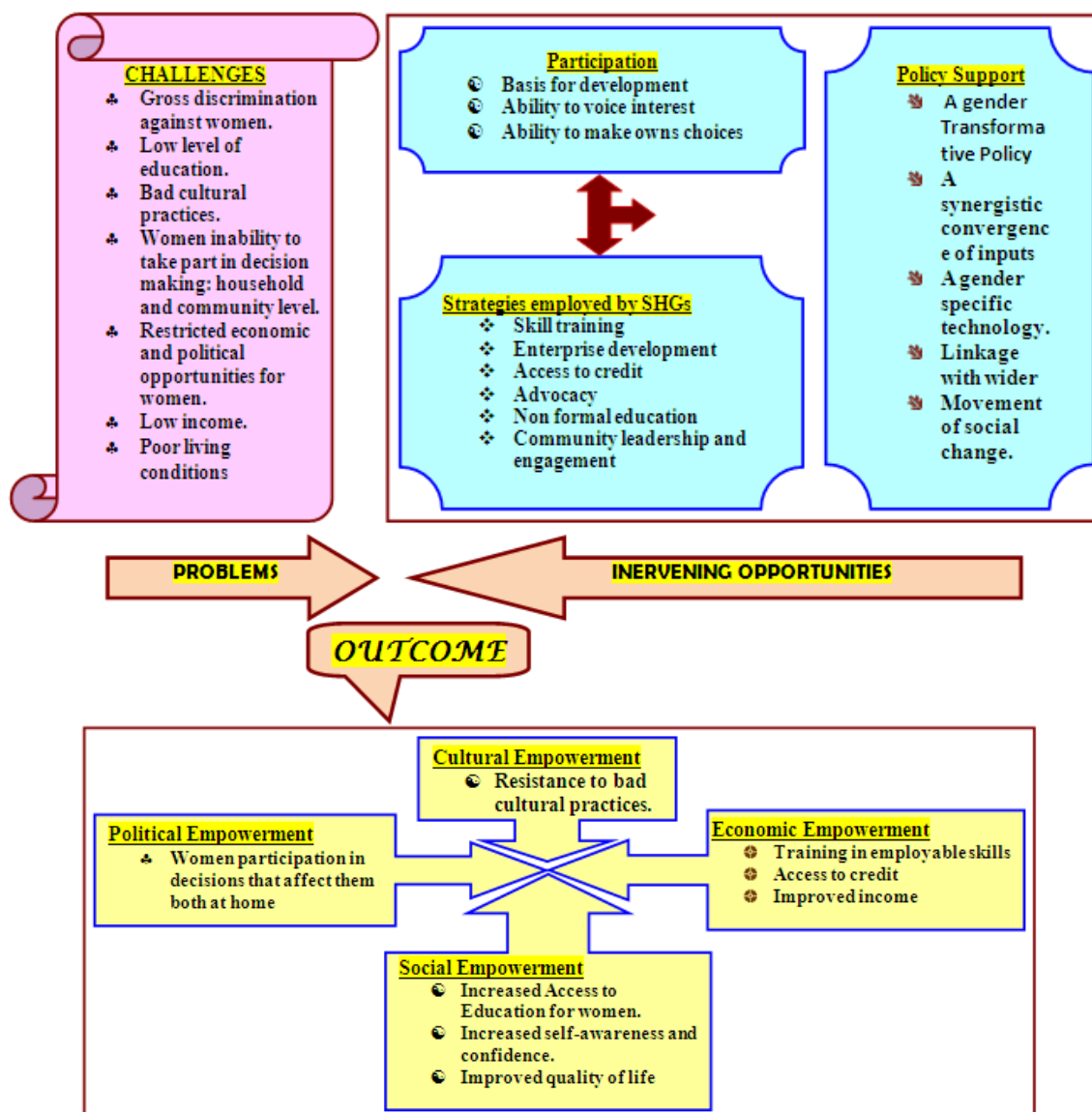
The data show that on an average, the loans received, generated 170 person days of employment per member. In all 1, 65,929 person days of employment were generated for 976 selected members. It was noted that non-farm activities generated higher number of person days of employment than farm related activities. Telephone booth, tea shop, cloth business and small business generated 300, 240, 260 and 225 people’s days of employment respectively. On the contrary, agriculture could generate 135 persons days of employment on an average per member followed by 88, 105 and 90 persons days of employment by dairying, goatary and poultry or duck-farming respectively. Actually, overall picture of Table-2 makes us infer that the loans provided by SHGs are productive and efficient in generation of employment to rural farm and nonfarm workers in general.

There is a relationship between generation of income and employment opportunities and the potential of employment can be judged by the amount of income generated in any activity. Table-9 makes an attempt to explain the impact of loans provided on generation of income. On an average each selected member could get an income of Rs. 10,885/- which is very important for the poor families and their members. No doubt, the income generation varies from activity to activity and each activity has its own capacity to generate income. The data presented in table-3 reveals this fact. Income generated in selected activities shows that it varies from Rs.6,



775/- per annum in case of tea shop to Rs. 17,135/- in case of agriculture. Highest amount of income generation is seen from agriculture. Embroidery activity proved an efficient one as it generated an average income of Rs.12, 650/- per member, followed by Rs.12,300/- in dairying, Rs.11,600/- in telephone booth, Rs.10,400/- in tailoring and Rs.1,200/- in case of poultry or duck-farming. The members engaged in goatary and cloth business receive an average income of Rs.9, 725/- and Rs.9, 500/- respectively. The income generated in small business is not satisfactory where large number of members is engaged.

| Purpose of loan         | No. of Members | Total Income Generated (Rs./- ) | Average Generated(Rs./-) | Income |
|-------------------------|----------------|---------------------------------|--------------------------|--------|
| Small Business          | 307            | 24,71,350                       | 8,050                    |        |
| Embroidery              | 162            | 20,49,300                       | 12,650                   |        |
| Agriculture             | 118            | 20,21,930                       | 17,135                   |        |
| Poultry or Duck farming | 99             | 10,09,800                       | 10,200                   |        |
| Dairying                | 98             | 12,05,400                       | 12,300                   |        |
| Goatary                 | 87             | 8,46,075                        | 9,725                    |        |
| Tailoring               | 41             | 4,26,400                        | 10,400                   |        |
| Telephone Booth         | 23             | 2,66,800                        | 11,600                   |        |
| Tea Shop                | 23             | 1,55,825                        | 6,775                    |        |
| Cloth Business          | 18             | 1,71,000                        | 9,500                    |        |
| <b>TOTAL</b>            | <b>976</b>     | <b>1,06,23,880</b>              | <b>10,885</b>            |        |



**Model-2:- Relational Framework of Challenges, Opportunities and Outcome**

Thus, the field experiences reveal that the micro-finance provided by SHGs is productive enough and has a favorable effect on employment and income generation. Income has a favorable effect on consumption expenditure in general and on education, health, social and familial status of members in particular. Micro Credit extended to rural women opens up the scope to empower herself in the family set-up.

### **(1) Economic Empowerment through SHG-Model**

#### **‡ Activities for Economic Empowerment**

- ♣ Initially, the women of SHGs are formed with women from progressive families. Gradually, more SHGs are formed by the women coming from all the levels.
- ♣ Exposure visits to active women SHGs to give villagers the chance to share their experiences.
- ♣ Regular group meetings.
- ♣ Internal and external saving and credit.
- ♣ Linkages with governmental schemes and rural development banks.
- ♣ Income-generating activities.
- ♣ Entrepreneurial development trainings on accounting, leadership, etc.
- ♣ Regular mentoring by field worker.

#### **‡ Results of Economic Empowerment**

- ☉ SHGs with all of the members are still active.
- ☉ SHGs are interlinked through apex bodies.
- ☉ The savings of all SHGs reach at the lot of amount.
- ☉ Credits are mostly used to meet urgent needs.
- ☉ The SHG members give the report that their family income has increased thanks to the project by up to Rs. 1,500 per family out of selected output.
- ☉ Money-lenders are not operating in the village anymore.
- ☉ SHGs participate in the government “100 days employment guarantee scheme”.

### **(2) Socio-cultural Empowerment through SHG-Model**

#### **‡ Activities for Socio-cultural Empowerment**

- ♣ Taking part in community development planning.
- ♣ Meetings with local authorities to solve common problems such as drinking water supply or construction of a school building.
- ♣ Social action programmes and campaigns to address issues like dowry, alcoholism, importance of women’s and children’s education, health and sanitation, etc. are adopted few in amount.
- ♣ Awareness raising and prevention of early marriage, caste discrimination and superstition to fight against cultural practices which legitimize discrimination.
- ♣ Participating in village programmes.
- ♣ Learning and practicing interpersonal and social skills as well as applied skills for income generating.

#### **‡ Results of Socio-cultural Empowerment**

- ☉ Initially, women hardly leave the family circle. Now, women have expressed that they enjoy higher valuation, autonomy and (self-) esteem at home and in the community.
- ☉ At first, most husbands objected women’s participation in the development process. Now, many appreciate the benefits.
- ☉ The girls of the remote villages are studying at IX-X grade.
- ☉ A few numbers of girls only got married at the age of 18+.
- ☉ The women mention that they enjoy much higher gender equity at family level.
- ☉ The women join a government child development centre as Para-teachers or started to work as health volunteers.
- ☉ During the field visit, villagers only ask for more training. Nobody ask for money. This best reflects developments in people’s mindset.

### **(3) Political Empowerment through SHG-Model**

#### **‡ Activities for Political Empowerment**

- ♣ Training on good governance and leadership and practising “good leadership” in the SHG.
- ♣ Attending the village assembly (Grama Sabha) and raising issues connected to the concerns of the villagers.
- ♣ Meeting and bargaining with local government and politicians to lobby for community development programmes.
- ♣ Contesting local body elections.

### ♠ **Results of Political Empowerment**

- ♣ The SHGs successfully bargain with local government. As a result, a child development centre is started in the village.
- ♣ The women become members of the village education committee, while any of SHG members become president of the committee.

### **(4) Environmental Empowerment through SHG-Model**

#### ♠ **Activities for Environmental Empowerment**

- ♣ Awareness raising and trainings including exposure visits on composting, importance of local seeds, sustainable irrigation, etc.
- ♣ Local seed banks.

#### ♠ **Results of Environmental Empowerment**

- ☉ Farmers produce and apply bio-fertiliser.
- ☉ Farmers grow more local seeds.
- ☉ Farmers apply sustainable irrigation techniques.

## **XI. Suggestions**

From the above observations, it may be feel that the policy makers can focus on the following issues and design appropriate policy to strengthen the impact of SHGs.

- ♣ The SHG members should to be properly educated about the fruits of this co-operative type of movement.
- ♣ The male members of the families should be made to play a supportive role.
- ♣ Training in the business activities of the members is the need of the hour.
- ♣ NGOs should play a strong role in leading the groups and should not restrict their role to that of a credit-canalizing agency.
- ♣ The district authorities may adopt a day-today system to monitor the functioning of SHGs.
- ♣ Women's ability to influence or make decisions that affect their lives and their future should be considered to be one of the principal components of empowerment by most scholars. It is much less clear, however, about what types of decisions and what degree of influence can be classified as empowerment in different contexts.
- ♣ Self-confidence is one of the most crucial components of change for empowerment, yet it is also one of the most difficult tasks to measure or assess. Self-confidence should be a complex concept relating to both women's perception of their capabilities and their actual level of skills and capabilities.
- ♣ Contributing financial resources to the family or community confers greater legitimacy and value to women's views and gives them more entitlement than they would otherwise have. It should be the point also.

## **XII. Conclusion**

Sufficient and has a constructive consequence on employment and income generation. Organized working of the women through SHGs has amplified the income of the families involved. Most of them are now proficient to refund their old amount overdue and have ongoing asset building. Success of the SHGs has not only enhanced the economic standing of women alarmed but there is also a radical alteration in their social position. The micro credit extended to rural women has a quality civilizing effect on the families of SHGs because majority of the women beneficiaries have utilized their additional income for improving the educational and health requirements. These expenditures have resulted in overall development of rural women. Now members of the SHGs have better say in their family matters and share major decisions of the family along with husband or other male members. To bring to a close we may say that the SHGs shaped under various programmes provide a great scope for the economic empowerment of women. The groups while aiming at promotion of savings and credit work as a pressure group. Weekly meetings, discussions, thrift and credit operations, participation in planning and implementation process of development activities and social and cultural activities conducted under SHGs enhance the confidence and capacity of the poor women. Thus, the spirit of SHGs needs to be continuously nurtured.

## **XIII. Limitations Of The Study**

But the present study reveals some limitations of SHGs regarding their formation and day to day functions. One of the major problems is the mushrooming of SHGs in Khejuri. Considerable number of SHGs has developed without any planning and proper guidance, resulting abolition of these groups at immature stage. Ignorance of members about group mechanism and various information is another important problem. Even though the authorities take measures for creating awareness among the group members, still a section of them is not totally aware of schemes of assistance offered to SHGs. Due to lack of solidity and harmony among group members many groups become fragile in terms of performance. It is found that in some cases, the return from

their micro enterprises is not properly invested further and the funds divested for other personal or domestic purposes like construction or renovation of house, repayment of old debt, marriage etc. At the same time the return on investment is not good-looking in certain groups due to bungling management, high cost of production, absence of quality realization and problems of marketing. Inadequate financial assistance and non-cooperative attitude of the financial institutions are responsible for the non-utilization of micro credit in proper fashion. It is also found that the attitude of the government officials, facilitators and bank personnel is not encouraging. Recently, it is observed unfortunately that unexpected political invention in the SHGs creates the various problems in member's co-operation, production and management. As a result, many of members loosen their interest in it. They are not well trained and interested to accept the challenges and equip the SHGs with self-reliance.

#### **XIV. Scope For Future Research**

Although there is much that the researcher would like to investigate into empowering of women through SHGs, the present study tries to provide a few guidelines that can be followed by future researchers.

- ♣ The information gathered through the practitioners could be more useful to draw inferences about the impact of SHGs.
- ♣ Incorporate programmatic elements such as training or leadership opportunities that contribute to women's empowerment.
- ♣ Trace empowerment benefits along with institutions financial performance and economic impact indicators.
- ♣ Bring women and women's perspective into the governance, management and implementation of business enterprises.
- ♣ Collect gender-disaggregated data for use in the design and improvement of programmes.
- ♣ A study on non-member women may be undertaken. A comparative study may be much useful in this context in future.

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