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Women Empowerment and Self-Help Groups

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Introduction

Empowerment is now increasingly seen as a process by which the one's without power gain greater control over their lives. This means control over material assets, intellectual resources and ideology. It involves power to, power with and power within. Some define empowerment as a process of awareness, of capacity building leading to greater participation, effective decision-making power and control leading to transformative action. This involves ability to get what one wants and to influence others on our concerns. With reference to women the power relation that has to be involved includes their lives at multiple levels, family, community, market and the state. Importantly it involves at the psychological level women's ability to assert them and this is constructed by the 'gender roles' assigned to her especially in a cultural which resist change like India.

Origin and Concept of SHGs

The origin of SHGs is from the brainchild of Grameen Bank of Bangladesh, which was founded by Mohammed Yunus. SHGs were started and formed in 1975. In India NABARD is initiated in 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 together to save small amount regularly, which are deposited in a common fund to meet members emergency needs and to provide collateral free loans decided by the group. (Abhaskumar Jha 2000). They have been recognized as useful tool to help the poor and as an alternative mechanism to meet the urgent credit needs of poor through thrift (V. M. Rao 2002) SHG is a media for the development of saving habit among the women (Rajamohan 2003). SHGs enhance the equality of status of women as participants, decision-makers and beneficiaries in the democratic, economic, social and cultural spheres of life. (Ritu Jain 2003). The basic principles of the SHGs are group approach, mutual trust, organization of small and manageable groups, group cohesiveness, spirit of

thrift, demand based lending, collateral free, women friendly loan, peer group pressure in repayment, skill training capacity building and empowerment (Lalitha, 1998).

Review of Literature

A number of studies have been undertaken on women empowerment at the global level and in India. Some studies dealt on methodological issues and some on empirical analysis. Moser (1993) focused on the interrelationship between gender and development, the formulation of gender policy and the implementation of gender planning and practices. The work of Shields (1995) provided an exploratory framework to understand and develop the concept of empowerment both from a theoretical and practical perspective with a particular focus on women's perception of the meaning of empowerment in their lives. Anand and Sen (1995) tried to develop a measure of gender inequality. Pillarisetti and Gillivray (1998) mainly emphasized on the methodology of construction, composition and determinant of GEM. Bardhan and Klasen (1999) criticized GEM as an inadequate index of measuring women empowerment at the aggregate level. Malhotra et al (2002) in their paper prepared for the World Bank highlighted methodological issues of measurement and analysis of women empowerment. Chattopadhyay and Duflo (2001) in their paper used a policy of political reservation for women adopted in India to study the impact of women's leadership on policy decision. They found that women were more likely to participate in policy making process if the leader of the village community was happened to be women. Mahanta (2002) sought to explain the question of women's access to or deprivation of basic human rights as the right to health, education and work, legal rights, rights of working women's, besides issues like domestic violence, all the while keeping the peculiar socio-cultural situation of the North East in mind.

A workshop organized in 2003 by the Institute of Social Sciences and South Asia Partnership, Canada addressed the issues like "Proxy Women" who after being elected to Panchayat bodies were merely puppets in the hands of their husbands, relatives and other male Panchayat members; and emphasized on training programme for their capacity building. Assam Human Development Report (Govt. of Assam, 2003) threw some light on inequality in the achievement between men and women of Assam in different spheres of life. The report viewed that poverty, violence and lack of political participation were the main issues of concern for South Asian Women, and Assam was no exception. Blumberg (2005) viewed that economic empowerment of women was the key to gender equality and well being of a nation. This would not only enhance women's capacity of decision making but also lead to reduction in corruption, armed conflict and violence against

females in the long run. Karat (2005) in her works discussed the issues of violence against women, their survival, political participation and emancipation.

Panda and Agarwal (2005) focused on the factor like women's property status in the context of her risk of marital violence and opined that if development means expansion of human capabilities, then freedom from domestic violence should be an integral part of any exercise for evaluating developmental progress. Deepa Narayan (2007) made an attempt to measure women empowerment for different countries and regions by using self assessed points on a ten steps ladder of power and rights, where at the bottom of the ladder stood people who were completely powerless and without rights and on the top stood those who had a lot of power and rights. Figueras (2008) in her work studied the effect of female political representation in State legislature on public goods, policy and expenditure in the context of India and opined that politician's gender and social position matters for policy. Barkat (www.goodgovernance.org) while discussing the present status of women in Bangladesh opined that although women as mothers are held in high respect at the individual level, there was an unclear understanding of empowerment of women as a process of awareness and capacity building leading to greater participation in decision making and control over her own life. Thus, from the above review of literature it is evident that quite a number of studies have already been undertaken on women empowerment and related issues. Entire scope of literature has centered mainly around conceptual and measurement issues and the constraints to women empowerment.

Objectives

1. To analysis the economic empowerment of women through SHGs in Chennai.
2. To study the income, expenditure and savings of the members after joining SHGs.
3. To know the role of SHGs in providing rural credit.

Methodology

The present study has covered the three places in and around Chennai Viz., Thiruvallur, Redhills, Manali. These three areas were selected for this study, because of the SHGs in these villages are functioning very successful manner. This study is compiled with the help of the primary data collected with the help of specially prepared interview schedule. The schedule included the questions related to the general information about the SHGs members, income, expenditure, savings and loan schemes available to SHGs' members. Totally 134 respondents were selected from 20 SHGs of three area. Simple random sampling method was adopted to select the

samples. This is purely a descriptive study. Therefore, no complicated models and tools were used; only percentage and average were used for the analysis.

Result & Discussion

In the study area totally twenty SHGs are functioning with 356 members. From the 356 members 134 respondents were selected for the study. Age and socio-economic activities are inter-related. The young and middle age group people can actively participate in the socio-economic activities, which is true in the activities of SHGs in the study area. 20-30 and 30-40 age groups are actively participated in the SHGs activities. The aged people (40-50) are also in the SHGs, their role is also important for SHGs. They can only control and solve the problems arise in the groups.

The major aim of the SHGs is to promote savings and to credit for the productive and consumption purposes. This is true because many people in the study area joins the SHGs for getting loan and promote their personal savings, in addition to get social status. In the study area many people (43.28%) joins the SHGs for getting financial assistance, 32.84% of the respondents joins the SHGs for the social status, because SHGs give the identify to the members. 14.92% of the respondents join for improving their savings. For social, cultural and political improvement (other reasons 8.96%) some members join in the SHGs. Income is the major determinant of the standard of living of the people. The SHGs member income has been increased after joining the SHGs. Hence women members of the groups are independent to meet their personal expenditure, and they contribute more to their household income. Many housewives (22.39%) did not earn anything before joining SHGs, but after a member of the SHGs, they are also earning reasonably. This increases the willingness to participate in the SHGs' activities. Many women members independently involve in the economic activities individually and with other group members after joining SHGs. Therefore, they are now economically independent and contribute to increase their household income.

The family expenditure has been increased due to positive change in the SHGs members' income. The incremental income not only enhances the expenditure of the family but also promote the savings of the family after they join in the SHGs. Here the objective of the SHGs is fulfilled. This is a achievement of the women SHGs in the study area. Usually working women are being respected by the household members and the society. Nowadays the women in the SHGs are also respected by the others, because they are independent in earning the income and they are contributing to household income, expenditure and savings. Therefore, the above discussion

clearly states that after joining in the SHGs, the members' well-being has been increased. One of the reasons for joining SHGs is to avails credit (V.M. Rao 2002), which is true in the present study area. The second objective of the present is to know the rural credit by SHGs. This part is discussed the rural credit and SHGs in study area. The credit organizations like nationalized banks, Co-operative Societies and so on, follow many formalities to provide credit to the rural people. At the sometime village money lenders charge very high rate of interest. In this situation SHGs are the boon to the rural people, because instead of approaching banks individual, SHGs can easily approach the banks and other institutions to get loan. The SHGs get loan from credit institutions then, they refinance (share) to the members in the SHGs. The SHGs charge reasonable interest. In the study are the prevailing interest rate is 1% to 4%. All the members are responsible to repay the loan to the banks. Therefore, members are repaid the loan in time. Moreover, banks instruct the members to save minimum Rs. 200 per month. So, re-payment is very easy to SHGs. The loans can be used by individual group members for their personal needs, sometime the group may invest on any economic activities. Nowadays many SHGs are starting small business, cottage industries, food processing units etc. The SHGs in the study area grant the loan to their member for various purposes. The maximum loan amount per members is decided by the general body meeting. Almost all the members in the study area are availing the loan facilities in their SHGs.

Conclusion

The study was undertaken the women empowerment through SHGs in Chennai. It is found that the income of the women has been increased after joining the SHGs. So that the monthly household expenditure also has been raised considerable level. But the savings is increasing at slow rate, because the incremental expenditure is higher. Mostly they are spending for present consumption. The members should change it. The good practice of the women SHGs in the study area is repayment of the loan in time. Nearly 64% of the debtor paid their monthly due within the time, even some members 19% paid their due in advance. A few members do not pay in time, but this is not affecting the further credit of SHGs. Since the repayment of loan is regular and within the time, we may conclude that the economic activities of SHGs are quite success. In this way SHGs in north Tamil Nadu are very successful to develop women empowerment and rural areas.

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