

**Role of Self-Help Groups (SHGs) in Women Empowerment, Employment Generation,
Alleviating Rural Poverty, Rural Economic Development at Gothgaon Village of
Mahuadanr (Chechari Valley): A Micro Level Analysis**

Md Areful Hoque * Shephali Prakash Rozy Sushmita Tirkey*****

By Department of Geography

St. Xavier's College, Mahuadanr, Latehar, Jharkhand

Abstract

Self-Help Groups is the most successful micro- enterprises in India. It has not only improved the financial status of the rural poor but it has also improved the social status. Self Help Groups (SHGs) also play important role in increasing women's literacy levels, improving health care, better family planning, enhancing banking literacy among women's, eradicating various social evils practice such as dowry, alcoholism, child marriage, gender biasness, corruption through social audits. The main objective of the present study is to find the level of awareness of functioning of registered Self-Help Groups among women to find out the rate of employment generated through registered Self-Help Groups, give valuable suggestion for better improvement of working profile and standard of living among the SHGs members. The study is based on both primary and secondary datas. For the collection of primary data 72 SHGs members are selected. The result of the study shows that majority (52.78 per cent) of the SHGs members (respondents) are in the age group between 26 – 33 years of age, many of the housewives have joined SHGs mainly because it acts as an additional source of income to the family, majority of SHGs members take village awareness programmes such as Swaach Bharat Abhiyan, Open defecation reduction, dowry, women's health and hygiene, importance of girls education, gender equality, drug abuse / Anti-Liquor campaigning etc. The present study also suggests that Ministry of Rural Development, Government of India should appoint a "Brand Ambassador" of this flagship programme for more promotion to reach at mass level.

KeyWords: Poverty, Employment Generation, Migration, Development, Infrastructure

Introduction

Self-Help Groups (SHGs) programme has emerged as the world largest and most successful network of Community Based Organization (CBO) for improving the quality of life among poor and lower middle class sections peoples. Self-Help Groups are informal associations of peoples who come together to find ways to improve their standard of living conditions. They are generally self-governed and peer-controlled. The main objective of this micro finance programme is to alleviate rural poverty, to increase employment opportunity, to accelerate

economic growth, to promote income generating activities, to raise the status of women in the society through women empowerment. Woman animators play more effective role in organizing women SHGs. National Bank for Agriculture and Rural Development (NABARD) controls the financial activities of SHGs since 1992. Now SHGs is an important source of microfinance services to the poor. SHGs play vital role increasing women's literacy levels, improving health care, better family planning, enhancing banking literacy among women, eradicating various social evils practice such as dowry, alcoholism, child marriage, gender biasness, corruption through social audits. SHGs also provide livelihood opportunity by providing vocational training and enhancing the efficiency of various Central Government and State Government Schemes. Economic empowerment (financial stability) and social empowerment (social standing and self-confidence) are required to empower the poor.

Women comprise of half of the country's population, yet they have limited control over income. Most women remain confined to a narrow range of female low-income activities resulting in gender discrimination. Empowerment is the process of obtaining basic opportunities for marginalized people, either directly by those people, or through the help of non-marginalized others who share their own access to these opportunities. Empowerment also includes encouraging, and developing the skills for self-sufficiency, with a focus on eliminating the future need for charity or welfare in the individuals of the group. Currently India has 7.5 million of SHGs across 27 states and 6 Union Territory (Source NRLM Report, Ministry of Rural Development, 2020). Andhra Pradesh has maximum number of women run Self Help Groups followed by Bihar, Kerala, Tamil Nadu, Telengana, West Bengal, and Odisha state.

Self Group Groups (SHGs) Definition

Self-Help Groups is a small voluntary association of 10-20 local women in between the ages of 18 and 40 years either registered or unregistered preferably from same socio-economic ground and similar problems. They come together for the purpose of solving their common problems through self help and mutual help. The SHG promotes small savings with a bank among its members. All loans within the group and from the banks are given with minimum documentation and without any security. The groups meet and save regularly, recording all the transactions in their accounts books. After 6 month of formation the SHG becomes eligible for loan from banks, to start new enterprise. They also democratically elect a President, Secretary and Treasurer among themselves as office bearers of their groups. The

SHG gives small loans to its members from its common fund. The group meets regularly. Ideally, the meetings should be weekly or at least monthly. In every week of a month SHG members are deposit Rs 10-20 in their groups.

There are five main objectives of SHGs. They are (i) To alleviating rural poverty (ii) To increase employment opportunity (iii) To accelerate economic growth (iv) To improve the status of women's in the society and improving the standard of living (v) To promote income generating activities. Every Self-Help Groups usually goes through 3 stages of evolution such as (i) Formation of Group (ii) Funding or formation of Capital (iii) Development of required Skills to boost income generation for the group.

Review of Literature

The review highlights the distinction areas covered by the many researchers and academicians which may be helpful to understand the issues relating to the present study and it also helps to find out the research gap. The basic sources of literature review of my study areas are- published research papers, articles in the journal of national and international repute, books, Government reports, Research agencies reports etc.

Mishra (2014) examines the pre-SHG and post-SHG status of rural SHG members in Puri district of Odisha. On the basis of primary data analysis, the study finds that SHGs have not only produced tangible assets and improved the living conditions of the members, but has also helped in changing much of their social outlook and attitudes. In the study area, SHGs have served the cause of women empowerment, social solidarity and socio-economic betterment of the rural poor. Yoginder Singh (2013) paper an attempt has been made to evaluate the nature of business and its performance carried out by women through SHGs and its impact on economic empowerment in rural areas. In the study, it has been found that SHGs have served the cause of women empowerment, social-solidarity and socio-economic betterment of poor rural women. SHG serves as a democratic tool for grassroots development for women. SHG promotes self-reliance by generating its own funds. It breaks the vicious cycle of debts. It is an effective agent for change and serves as a solid platform for women empowerment. Choudary et al. (2013), is an attempt to analyse the role and performance of SHGs in promoting women's empowerment in Kancheepuram District of Tamil Nadu. The broad objective of the study is to analyses the operating system of SHGs (Self Help Groups) for mobilization of saving, delivery of credit to the needy, management of group funds,

repayment of loans, in building up leadership, establishing linkage with banks and examines the social benefits derived by the members. The study concludes that uniformity should be maintained in formation and extension of financial assistance to women by banks in all blocks. The procedure of the banks in sanctioning credit to SHG should be simple and quick. Poornima (2013) analyzed the economic empowerment of women through SHGs in some selected villages of Tumkur District of Karnataka and to study and demonstrate that SHGs are the best formal micro level finance institutions to generate additional employment and income for needy people by involving them in planning, decision making and management of sustainable natural resource. The study showed that many members as individual & also as group are involved in entrepreneurial work. It was also observed that there is lot of scope for SHGs to take up venture.

Statement of Problems

Poverty, hunger, inequality, lack of industry, illiteracy, malnutrition, superstition, food insecurity, lack of Infrastructure and Unemployment is the main problems in the rural areas of Jharkhand state. Women's shares a large number of populations in the state. Women suffer from illiteracy, lack of awareness, poor healthcare and unemployment, financial crisis, social insecurity, working instability, lack of awareness about their legal rights etc. In the recent times, the woman has contributed to a great extent towards the development of the economy but not many are aware of this that they have the potential. The recent development has been in the entrepreneurial activities undertaken by them. Women play a pivotal role as risk managers and development, particularly in regions of severe poverty. Peoples' participation in credit delivery and recovery and linking of formal credit institutions to borrowers through the SHGs have been recognized as a supplementary mechanism for providing credit support to the rural poor. Most of the SHGs members do believe that finance is their major problem. It is true that unfavourable event in business will lead to financial crisis. This is particularly true in the rural areas and in cases of main weaker sections of society like scheduled caste and schedule tribes. In the recent times, women have contributed to a great extent towards the development of the economy but not many are aware of this that they have the potential. The recent development has been in the entrepreneurial activities undertaken by them. Therefore, empowerment of women is necessary to solve the problems. These combined basic problems and challenges faced by women's in rural areas provoked the researcher to undertake this study in particularly. The outcomes or findings from this study will be very helpful for

Administrators, Policymakers, Economists, Sociologists, Researchers, Academicians, Journalists, NGO workers, Ministry of Rural Development, Ministry of Women and Child Development, Government of Jharkhand as well as the Central Government of India for their policy making.

Objectives of the study

Keeping in the view of role of SHGs in women's empowerment, employment generation, poverty alleviating among the SHGs members in rural areas of Mahuadanr block of Latehar district, Jharkhand in particular, the following objectives have been taken into consideration:

To find the level of awareness of functioning of registered Self-Help Groups among women's in rural areas of Jharkhand.

To find out the rate of employment generated through registered Self-Help Groups in the rural areas of Jharkhand.

To examine the contribution of women entrepreneurs towards the growth and development of village in the study area.

To give valuable suggestion for better improvement of working profile and standard of living among the SHGs members in the study area.

A Geographical outline of study area:

Mahuadanr is one of the backward areas in terms of educational level, health and infrastructure development and tribal dominants habitats (ST community) block of Latehar district in Jharkhand state. The latitudinal extent of Mahuadanr is 23.3965° North and 84.1066° East longitude. There are many tourist places in this area such as Lodh waterfall, Mirchia waterfall, Netarhat hills station and forest area etc. Gothgaon is a small village / hamlet in Mahuadanr block in Latehar district of Jharkhand. It comes under Gothgaon Panchyat. It is located 110 km from district headquarter Latehar and 200 km from Ranchi state capital.

Database and Research Methodology:

The current research work is analytical, descriptive and empirical type of research work. The present study is based on both Primary and Secondary sources of data. Primary data were collected through interview schedule based on well structured questionnaire with regards to objective in mind. For the collection of primary data a near about 72 SHGs members (respondents) at Gothgaon village in Mahuadanr block Latehar district has been selected

based on Simple Random and Purposive sampling method. The Survey was conducted during the month of March to April month, 2023.

The secondary data has been collected from District Statistical Handbook, Latehar 2011, Census of India 2011, Block Development Office, Mahuadanr, Annual Report related to Demographic Statistics 2011-12, websites of NABARD, Ministry of Rural development, NRLM Reports, Books, Research Paper, Journals, Newspaper, Researchgate, Google Scholar etc.

After the collection of data for showing the result Simple Percentage Method has been used and the data was presented in the form of simple analytical tables for ease of analysis. The data was tabulated using percentages method. In order to get a visual and clear understanding of certain data they were represented in the form of figures. MS excel and SPSS, Computer Cartography has used for tabulations for making of bar and pie diagram and conducting the various tests.

Result and Discussion

Table 1.1 : Socio-Economic and Demographic Statistics of Gothgaon Village, Mahuadanr

Total Geographical Area	566 Hectares
Total Population (2011 Census)	1,465 (777 Male and 688 Female)
Literacy Rate (2011 Census)	59.04 % (67.31% Male and 49.71 % Female)
Total Number of House	255
Language	Hindi, Santhali, Kurukh,
Panchyat	Chatakpur
Assembly Constituency	Manika
Parliament Constituency	Chatra
Near Market	Mahuadanr, Kusmi (Chhattisgarh)
Near famous College	St. Xavier College, Mahuadanr
Near famous School	St. Joseph School (10+2), Mahuadanr St. Teresa School, Girls (10+ 2), Mahuadanr St. Xavier's Academy, Mahuadanr
Total Number of SHGs in GothgaonVillage	14SHGs
Name of SHGs in GothgaonVillage	Suraj Mukhi SHGs, Chameli SHGs, Kamal SHGs, Gulab SHGs, GrihaLaxmi SHGs, Prayaas SHGs, Disha SHGs, Hope SHGs,

Source: District Statistical Handbook, 2011 Latehar, Jharkhand

Table 1.2: Age Group among Sampled Respondents

Age Group	Sampled Respondents	Percentage
18 – 25 Year	12	16.67
26-33 Year	38	52.78
34 -40 Year	22	30.56
Total	72	100.00

Source: Computed by Researcher, Field Survey data, March- April 2023

Table 1.2 shows that 52.78 percent of the SHGs members are belong to age group between 36-33 years which is highest percentage due to marital status and 16.57 percent of the SHGs members are belong to age group between 18-25 years which is lowest percentage due to unmarried stage.

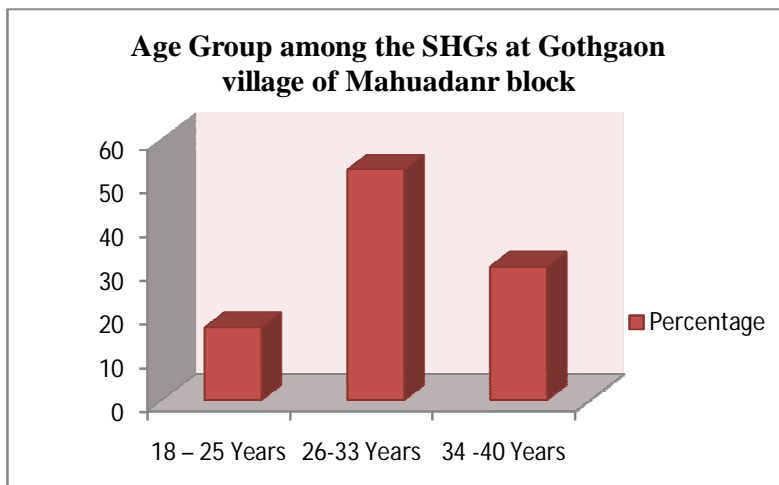


Table 1.3: Education level among Sampled Respondents

Education level	Sampled Respondents	Percentage
Illiterate	9	12.5
Primary	27	37.52
10 th	23	31.95
12 th	11	15.27
Graduation and Above	2	2.77
Total	72	100.00

Source: Computed by Researcher, Field Survey data, March- April 2023

Table 1.3 depicts that 37.52 percent of the SHGs members have upto primary level of education which is highest percentage due to rural areas and early years of marriage and only 2.77 percent of the SHGs members graduation and above qualification which is lowest percentage.

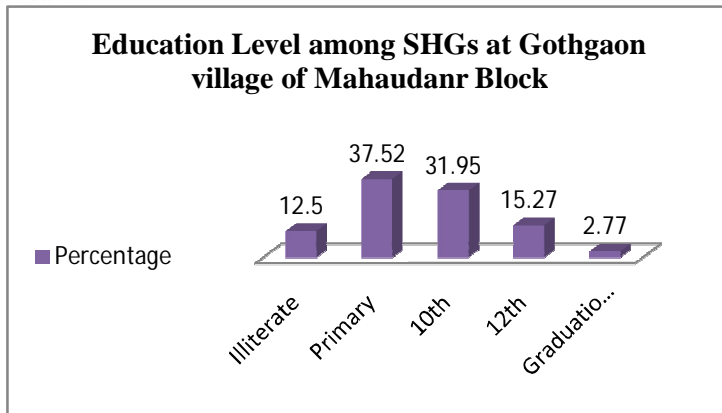


Table 1. 4: Occupation among Sampled Respondents

Occupation	Sampled Respondents	Percentage
Housewife	21	29.16
Agricultural Labour	9	12.05
Farmer	13	18.05
Shopkeeper / Street Vendors	5	6.94
Tailoring and Laundry	12	16.66
Animal Husbandry	8	11.11
Any other	4	5.55
Total	72	100.00

Source: Computed by Researcher, Field Survey data, March- April 2023

Table 1.4 shows that 29.16 percent of the SHGs members (housewives) which is highest percentage, engaged in SHGs due to additional income and facilities and 5.5 percent of the SHGs members perform another types of informal works which is lowest percentage.

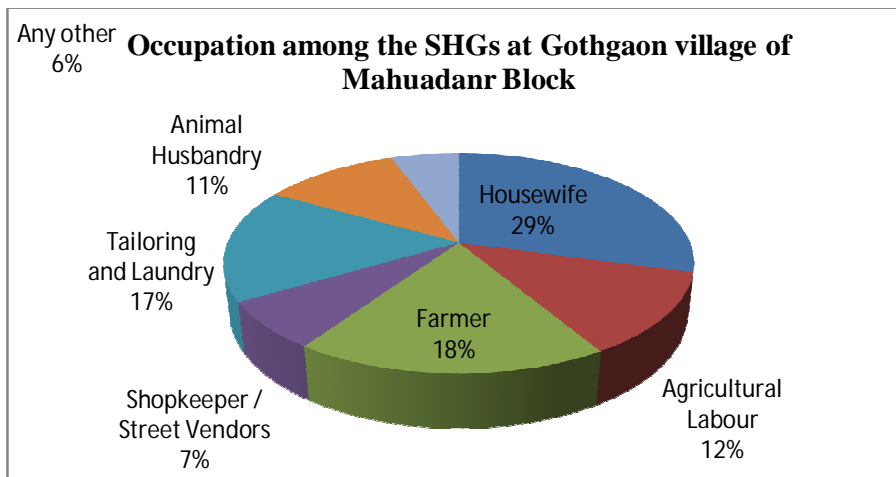


Table 1.5 : Income level among the SHGs Sampled Respondents

Income level (Monthly INR)	Sampled Respondents	Percentage
Rs. 0-6000	7	9.72
Rs. 6001-10000	48	66.67
Rs. 10001-15000	12	16.66
Above Rs.15000	5	6.95
Total	72	100.00

Source: Computed by Researcher, Field Survey data, March- April 2023

Table 1.5 shows that 66.67 percent of the SHGs members have family income of Rs. 6001-10000 Monthly from all the income sources which is highest percentage, and only 6.95 percent of the SHGs members' family members have Above Rs. 15000 monthly from all the income sources which is lowest percentage.

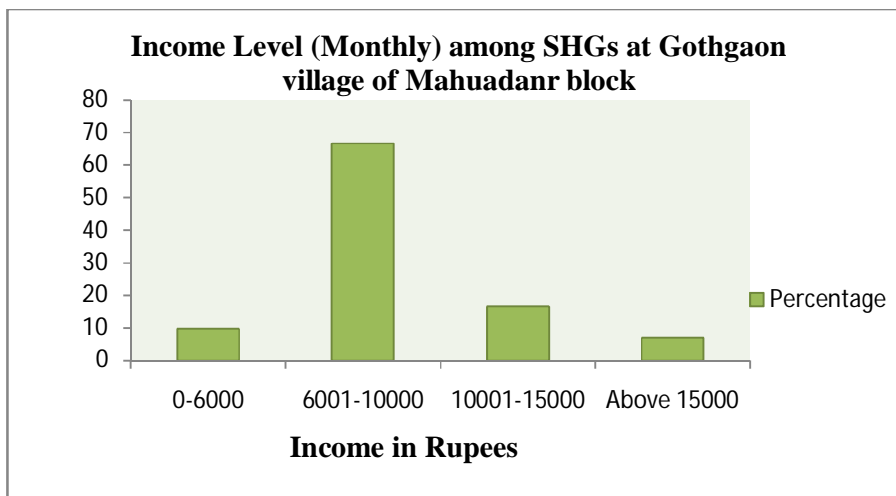


Table 1. 6: Number of Years engaged in SHGs among Sampled Respondents

Number of Years engaged in SHGs	Sampled Respondents	Percentage
1 -3 Years	14	19.44
4-7 Years	28	38.88
8-10 Years	21	29.16
Above 10Years	9	12.05
Total	72	100.00

Source: Computed by Researcher, Field Survey data, March- April 2023

Table 1.6 shows that 38.88 percent of the SHGs members have engaged since 4-7 years which is highest percentage, and only 12.05 percent of the SHGs member’s family members have engaged this profession above 10 years which is lowest percentage.

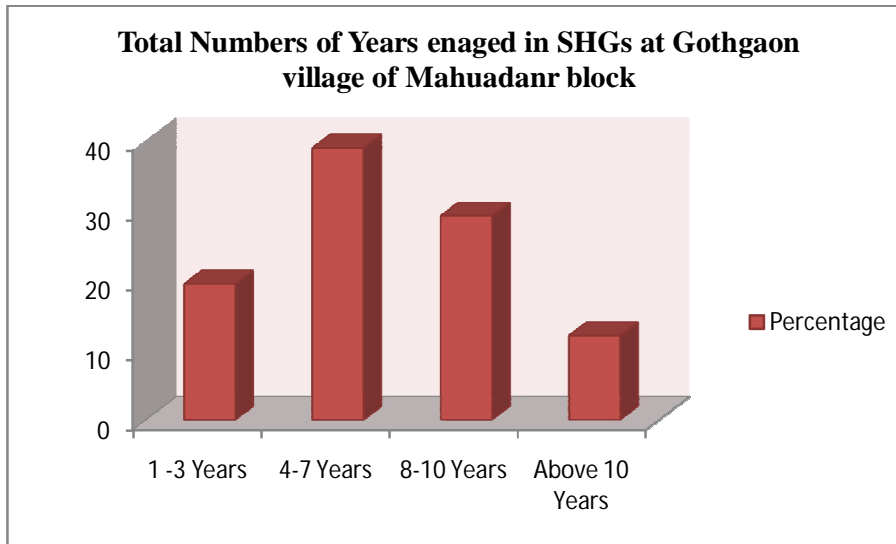


Table 1. 7: Causes of taking Micro Loans among SHGs Sampled Respondents

Causes of taking SHGs Loans	Sampled Respondents	Percentage
Marriage of Daughter	18	25.00
To Running Shop	6	8.33
Education for children	13	18.05
Medical Treatment	9	12.05
Household Works	6	8.33
To invest in Agriculture	13	18.05
To invest in Animal Husbandry	7	9.72
Total	72	100.00

Source: Computed by Researcher, Field Survey data, March- April 2023

Table 1.7 shows that 25.00 percent of the SHGs members are taken micro loans for their daughter marriage purpose which is highest percentage, and only 8.33 percent of the SHGs members are taken micro loans for running a shop or repairing and maintenances of house which is lowest percentage.

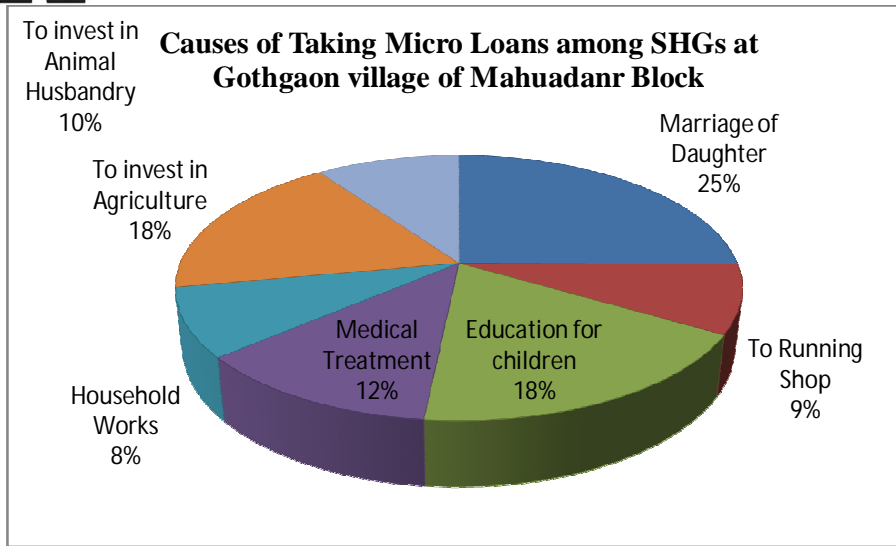


Table 1. 8: Participation in various village awareness Programme among Sampled Respondents

Participation in various village awareness Programme	Sampled Respondents	Percentage
Swaach Bahart Abhiyaan	8	11.11
Open Defection Reduction	11	15.27
Child Marriage	7	9.72
Drug abuse / Anti Liquor Campaign	16	22.22
Family Planning	9	12.05
Domestic Violence	5	6.94
Health and Hygiene	3	4.16
Importance of Girls Education	13	18.05
Total	72	100.00

Source: Computed by Researcher, Field Survey data, March- April 2023

Table 1.8 shows that 22.22 percent of the SHGs members are participation in drug abuse or Anti Liquor Campaigning under the village local community awareness programme which is highest percentage, and only 4.16 percent of the SHGs members are participation in Health and Hygiene for women’s Campaigning under the village local community awareness programme which is lowest percentage.

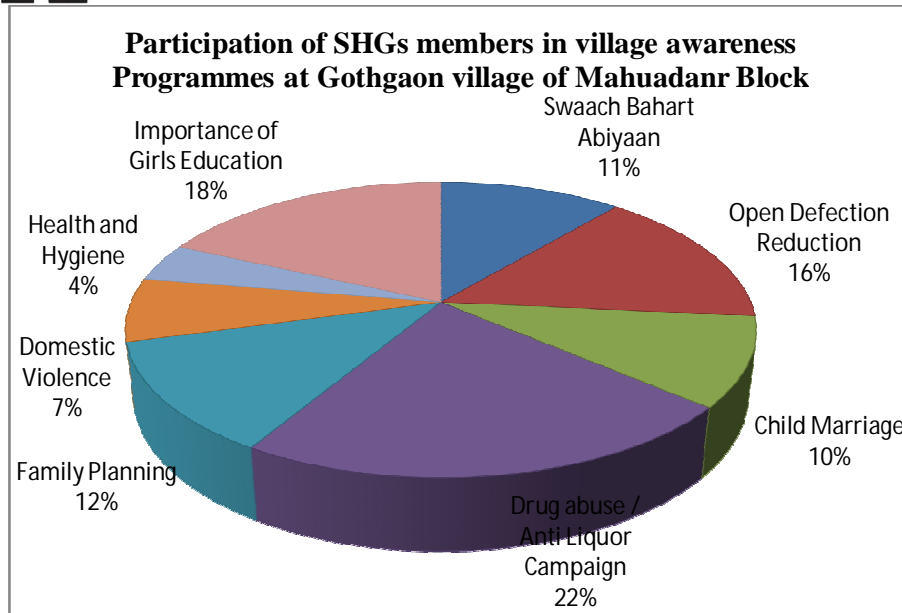


Table 1.9 Role of SHGs in Poverty Alleviating among Sampled Respondents

Role of SHGs in Poverty Alleviation in family	Sampled Respondents	Percentage
Yes	47	65.27
No	25	34.73
Total	72	100.00

Source: Computed by Researcher, Field Survey data, March- April 2023

Table 1.9 depicts that 65.27 SHGs respondents are fully agree that under the SHGs micro loans play some important role in alleviating their family poverty and only 34.73 SHGs respondents agree that SHGs are not alleviating their poverty level.

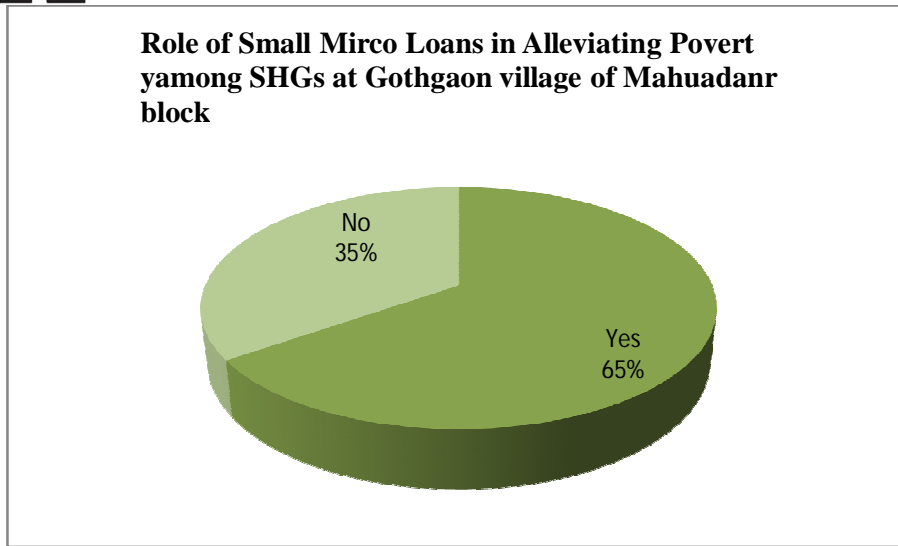


Table 1.10 Facilities obtained under SHGs Sampled Respondents

Facilities obtained	Sampled Respondents	Percentage
Piggery / Goat	12	16.66
Construction of Toilet	15	20.84
Hens / Duck	11	15.27
Valuable Trees	8	11.11
Sewing Machine	13	18.05
Pads	10	13.88
Others	3	4.16
Total	72	100.00

Source: Computed by Researcher, Field Survey data, March- April 2023

Table 1.10 shows that 20.84 percent of the SHGs members are getting the newly toilet at their home after joining in SHGs which is highest percentage, and only 4.16 percent of the SHGs members are others facilities which is lowest percentage.

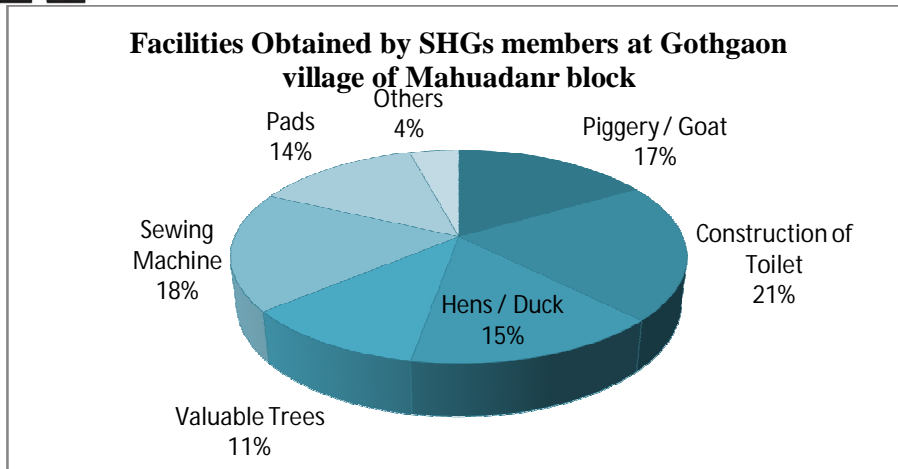


Table 1.11 Criteria Opted for the selection of Group Leaders of SHGs among Sampled Respondents

Criteria Opted for the selection of Group Leaders	Sampled Respondents	Percentage
Higher Educated	8	11.11
Good Communication Skills	21	29.16
Good Character	6	8.33
Seniority in age	18	25.00
Financially Good	8	11.11
Influential family background	11	15.27
Total	72	100.00

Source: Computed by Researcher, Field Survey data, March- April 2023

Table 1.11 shows that 29.16 percent of the SHGs members are chose their group leaders whose have excellent communication skills which are highest percentage and only 8.33 percent of the SHGs members are saying that they are chosen their group leaders who have good character with honesty which is lowest percentage.

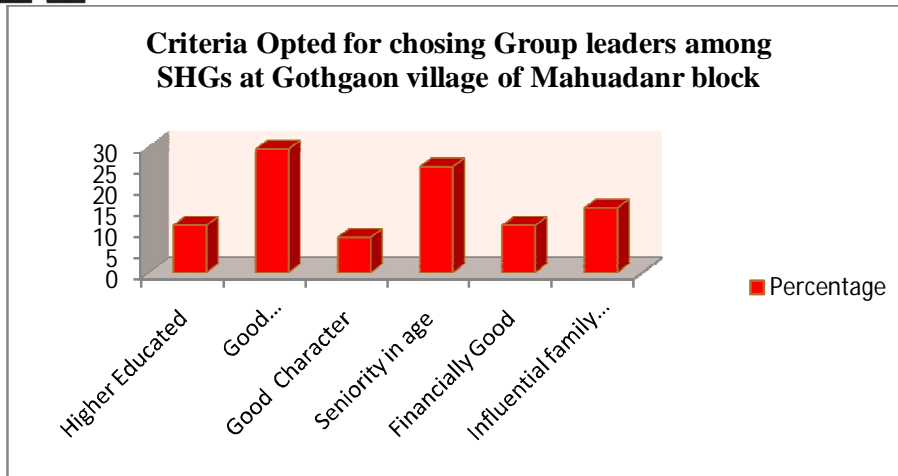
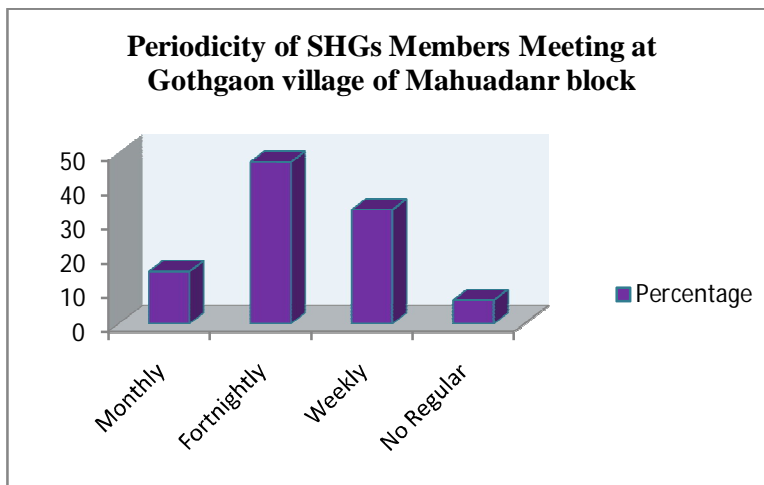


Table 1.12 Periodicity of SHGs members Meeting among Sampled Respondents

Periodicity of SHGs members Meeting	Sampled Respondents	Percentage
Monthly	11	15.27
Fortnightly	34	47.22
Weekly	24	33.33
No Regular	5	6.94
Total	72	100.00

Source: Computed by Researcher, Field Survey data, March- April 2023

Table 1.12 shows that 47.22 percent of the SHGs members are meeting after every fortnight which are highest percentage and only 6.94 percent of the SHGs members are saying that their group members do not meet on regular basis which is lowest percentage.



Major Findings of the study

Some of the major findings through this study are as follows:

The majority (52.78 per cent) of the SHGs members (respondents) are in the age group between 26 – 33 years of age.

Majority of women's SHGs members' respondents' educational background is up to primary level standard (37.53 percent) in the study area.

Many of the housewives have joined SHGs mainly because it acts as an additional source of income to the family and being part of the groups they receive financial assistance faster and at cheaper rates in the study area.

Sixty-four respondents stated that the reason for joining SHGs was to raise their income levels, while 18.05 percent respondents stated that it was for taking financial assistance of educating their children and another 65.27 percent replied stating to improve their standard of living condition and alleviating the poverty in the study area.

A Large numbers of SHGs members are not only generating income, saving money but also take part in villages awareness programmes such as Swaach Bharat Abhiyan, Open defecation reduction, dowry, women's health and hygiene, Importance of girls education, gender equality, drug abuse / Anti-Liquor campaigning etc., in the study area.

Suggestion and Policy Implication

As majority of the members of the Self -Help groups are illiterate and up to primary level education, these SHGs can take up the some initiative to give minimum education facility and enhanced skills related personality development, entrepreneurship workshop etc.

In order to increase employment opportunities government and NGOs should come up with self-help group programs to inculcate entrepreneurship, proper encouragement and short term training programmes, more financial help, for the rural women of Jharkhand.

The Central Government as well as state government should give more facilities and incentives for the SHGs to increase the numbers and more participation which will generate

employment, improve their standard of living, empowering women and alleviating their poverty.

The Ministry of Rural Development, Government of India should appoint a “Brand Ambassador” of this flagship programmes for more promotion to reach at mass level.

Lastly frequent awareness camps should be taken by Rural development Department under Panchyati Raj authorities at different villages to create awareness about the different schemes of assistance available for the SHGs members.

Conclusion

Self-Help Groups is the most successful micro- enterprises in India. It has not only improved the financial status of the rural poor but it has also improved the social status. The core of SHGs philosophy is women empowerment through increasing employability, self sufficiency and inculcating a habit of saving among the rural women. Empowerment in micro-credit will inevitably involve a significant change in attitude, change in work practices and challenging vested interests. For women’s empowerment to be addressed, women need to be enabled to define their priorities and demand their rights. Micro finance can be an effective strategic instrument for poverty alleviation only if it is used for income generating microenterprise development. A Self-Help Group as per the research is successful in rural areas, especially among women. These programmes have uplifted the rural women economically and socially in the society. Women are an integral part of the economic development of the country; therefore the government should give equal importance to the women contributors and their well-being in the society. Thus women are major beneficiaries from the Self-Help Groups.

Self-Help Groups are fast emerging as powerful social tool for socio-economic empowerment of the rural poor in India. Self-Help Groups serve as an ideal mechanism for women’s empowering, saving money, to builds self confidence. Last but not the least Self-Help Groups-Bank Linkage Programme is the largest microfinance programme in the world.

Works cited and consulted

Amit, K.S., Mondol, S.R., “Role of Self-Help Group in Socio-Economic Development of India”, *ILKOHRETIM Online- Elementary of Educational Online Journal*, Vol. 20, Issue 06, 2021, pp. 3052-3059.

- Anitha, H.S., Revenkar, H.D. “Micro Credit through SHGs for Rural Development”, *Southern Economist Journal*, August, Vol. 46, No. 08, 2006, pp. 9-17.
- Gaurav, J., “An Analysis of Women’s Self-Help Groups Involvement in Micro-finance program in India”, *Rajagiri Management Journal*, Vol. 13, No. 2, 2019, pp. 2-11.
- Kondal, K., “Women Empowerment through Self-Help Groups in Andhra Pradesh, India”, *International Research Journal of Social Sciences*, Vol. 3, Issue 1, 2014, pp. 13-16.
- Mahendra, V., “Impact of Self- Help Group on formal Banking Habits”, *Economic and Political Weekly (EPW)*, April Issue, Vol. 40, No.17, 2005, pp. 36-43.
- Pankaj, S., Navin, N., “Performance of Self-Help Groups in India”, *Economic and Political Weekly (EPW)*, January Issue, Vol. LVI, No. 05, 2021, pp. 36-43.
- Sakshi, S., Karoly, P., “Self-Help Groups (SHGs): Micro Finance in India”, *Network Intelligence Studies*, Vol. VI, Issue 11, 2018, pp. 43-49.
- Samal, A., “The Issues and Challenges of Self-Help Groups: A Study in Odisha”, *International Research Journal of Management Science and technology (IRJMST)*, Vol. 07, Issue 12, 2016, pp. 79-86.
- Shastry, G.V., “Financial Inclusion Challenges faced by Self-Help Groups in Jharkhand: A Case Study of East Singbhum District”, *International Journal of Advanced Research in Commerce, Management and Social Science (IJARCMSS)*, Vol. 05, No. 01, January-March, 2022, pp. 148-153.
- Vaijyanthi, P., Vinodhini, R.L., “Self-Help Group and Socio-Economic Empowerment of Women in Rural India”, *Indian Journal of Science and Technology*, Vol. 9, Issue 27, 2016, pp. 1-5.

