



Women Empowerment through Microfinance (SHGs): A Study of Ajmer District, Rajasthan, India

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Abstract

In India, government has introduced a number of development programmes but most of them have neglected the women. The need for gender equality and women empowerment has been highlighted in various constitutional provisions, legal laws and conventions. The government has taken necessary initiatives to make credit - delivery system more efficient through micro-finance to strengthen and expansion of credit-institutions for the women empowerment. Micro-finance movement has helped to develop a enormous number of self help groups (SHGs) in our nation, that encourage small amount of savings as well as the reprocess of generating resources amongst the members. SHGs help to conquer exploitation as well as build assurance for the financial independence of the women. SHGs facilitate women - members to collaborate for a general aim and to achieve potency from each other to get rid of exploitation, which they are facing, in numerous form. The present work is intended to study the role of micro-finance through Self Help Groups (SHGs) in socio-economic empowerment of women. The study has been carried out in Ajmer district of Rajasthan covering a sample of 75 beneficiaries, 8 SHGs, 4 villages, and 2 blocks.

Keywords: SHGs (Self Help Groups), Women, Empowerment, Microfinance.

Introduction

Microfinance sector has grown swiftly over the past few decades. In the state of Rajasthan the Self Help Groups has been developed more as social enlistment of women for improving their position in the society. There are approximately 1.5 lakh self help groups in which about 50% groups have been promoted by the state government's department of women and child development, 20-25% groups have been under various developmental schemes like Swarnjayanti Gram Swarozgar Yojana (SGSY), Watershed Development etc. and 25-30% have been promoted by Non-governmental Organizations (NGOs).

Self Help Groups (SHGs): A Self-Help Group is a group of people from the same socio-economic background up to 20 members. These groups are promoted by Government agencies or NGOs with the aim of solving the common problems of group members either financial or social through mutual help.

Features of Self Help Groups are: i. SHGs are well accepted and established by government or NGOs. They can open accounts in bank in its own name, receive government grants and funds for various expansion activities. ii. They perform various activities as social intermediaries and often involved in numerous social activities. iii. They keep their own books of accounts. iv. It is a structured body including elected, Group President, Secretary and Treasurer. v. They have self-governing body. vi. SHGs activate small saving and rotate it in group.

Review of Literature: A number of studies have been carried out by various institutions, researchers and the agencies that have emphasized the constructive impact and trends of SHGs on economic and social empowerment of women. Some of accessible related studies are being reviewed here.

Ahmad in his work on "Thrift Groups in Assam" stated, SHGs have been performed doing well in Northern and Eastern states of India. He also highlighted, women members have taken necessary steps in the management for achieving their privileges and to mark their complaints boldly¹.

Puhazhendhi in his paper "Evaluation Study of SHGs: Important Finding of Evaluation Study in Tamil Nadu" examined the functioning of SHGs in various aspects like management, protract ability, women- empowerment, financial impact, future possibilities etc. He also analyzed that Self Help Groups in the state have performed positively for constructive change and revolution. The promising trends have lead to encouraging way of empowerment of women-members and advertising of micro-finance².

Datta and Raman in their work evaluated that SHGs are heterogeneous in socio - economic signs. The triumph of Self Help Groups in highly loan payment settlement is generally associated with the misuse of existing societal binds and unity established amongst SHG's members. Societal dependency among SHG's members increase from their varied conditions of awareness, skillfulness in employments and earning echelon,

because of the vibrant encouragement structure of advancement loaning to the members of groups after the complete payment of loan³.

Gurumoorthy (2000) in his study "Self Help Groups Empower Rural Women, Kurukshetra," highlighted that Self Help Group is a practical substitute to attain the goal of rural- growth and to obtain societal contribution in growth oriented programmes. Self Help Group is a practicable administrative system to distribute credit to the members to make them entrepreneur and heartening the member to go through the entrepreneurship⁴.

Nagayya (2000) in his study "Micro-Finance For Self Help Groups, Kurukshetra" He highlighted the initiatives which have taken for organizational planning to sustain Micro-Finance programme at the national level by government, for mitigation of poverty amongst the poor. He also stated, the casual arrangements for loan delivered to the poor by Self Help Groups are rising rapidly as a capable tool for encouraging venture⁵.

Barbara and Mahanta in their work highlighted that SHGs have played a vital role in the establishment of numerous ventures for revenue generation⁶.

Dasgupta in his paper on "informal journey through Self Help Groups" highlighted various benefits by micro-financing through informal group viz.: i. mobilization of savings by the members; ii. utilization of proper credit by the members; iii. corresponding demand - supply lending; iv. operational cost lessening for lenders as well as borrowers; v. efficient enhancement in recovery; vi. accessibility of financial assistance and bribery less credit, vii. tremendous women- empowerment⁷.

Manimekalai and Rajeshwari in "Nature And Performance Of Informal Self Help Groups – A Case From Tamil Nadu" highlighted, the micro-finance through SHGs have assisted the groups to attain economic and social empowerment of women. Leadership quality, organizational skills, managing various business activities, attaining credit, identification of raw material, market and suitable diversification and transformations have been developed by SHGs⁸.

Puhazhendhi, and Satyasai in "Empowerment of Rural Poor through SHGs" evaluated the institutional operation of Self Help Groups and stated that the economic as well as social empowerment of members has been positively contributed by SHGs⁹.

Narang Uma in her study "Self Help Group: An Effective Approach To Women Empowerment in India" remarked that SHGs have shown a way to women empowerment and poverty alleviation. Further he highlighted that the genuine empowerment is achievable only when a woman has augmented access to financial resources, more confidence, self inspiration, more potency, more identification in the family and society¹⁰.

Reji in research work on "Economic Empowerment Of Women Through Self Help Groups In Kerala" highlighted that SHGs are the significant institutions for improving the existence of women on diverse social, political and economic aspects. The active participation of women members in Self Help Groups reflects that women are aspirant for empowerment¹¹.

Sahoo Ansuman in his study on "Self Help Group and Woman Empowerment: A study on some selected SHGs" highlighted that with the inception of Self Help Groups the women are now taking part in various dynamic activities and are at par with men. Women, have asserted a venerable place in the family and the society and also their decision making power has enormously enhanced through SHGs¹².

Eswaraiah C. in his work on "Role Of Self- Help Groups In Empowerment Of Women: A Study In Ananthapuramu District Of Andhra Pradesh" found that the economic position of the members have been terrifyingly increased after their association with the SHGs, hence SHGs made a significant impact in empowering the women within society¹³.

Kaur Sumanjee in her study on "Women Empowerment Through Micro Finance: An Empirical Study Of Women Self Help Groups In Patiala District, Punjab" revealed that the SHGs members have been empowered through microfinance activities. However, the position of the members and their intensity of participation in the family and society are increasing significantly¹⁴.

The above cited review of literature exhibit that an imperative role is being played by micro-finance through SHGs. However most of the studies are related to the function of SHGs, only a few studies have been attained to evaluate the role of SHGs on the socio-economic empowerment of women . Thus, this work is significant to examine the women- empowerment through micro-finance (SHGs) in Ajmer District of Rajasthan state.

Objectives of the Study: The study aims to: i. Evaluate the SHGs with reference to its status and implications. ii. To analyze the affect of micro-finance on socioeconomic women-empowerment.

Methodology

Present work is pragmatic in character. Primary data were gathered by field survey. Moreover, Review of literature have been taken by in print and various other sources. The questionnaires comprise questions related to the relevant issues, educational qualification, Knowledge regarding SHGs, awareness about development programmes, change in socio-economic condition of members after joining the group etc. were filled by the selected SHGs members. The filled questionnaires were scrupulously plaid and compiled. Tabulation of data has been done to illustrate propensity, patterns and culminations.

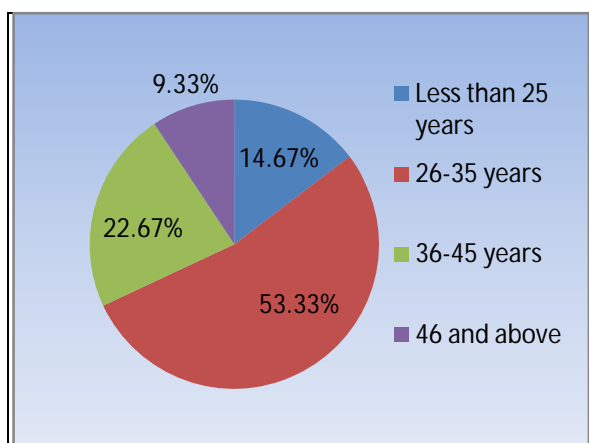
Scope of Study: Present study is confined to Ajmer District of Rajasthan. However, review of literature has been presented in the countrywide viewpoint. The work is fractional because of inadequate application of different tools and methods.

**Table-1
 Sample**

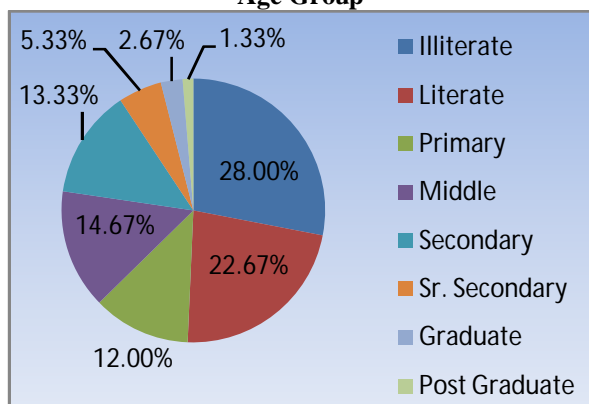
District	Blocks	Number of villages	Number of SHGs	Number of Beneficiaries
Ajmer	Pisangan	08	16	75
	Srinagar			

Result and Discussion

Age group, educational status, marital status, income of family etc. are the vital factors which affect women development and empowerment. Data from the figure -1 reveals that 53.33 percent respondents were lying in the 26-35 years age group and 22.67 percent were lying in the range of 36-45 years.



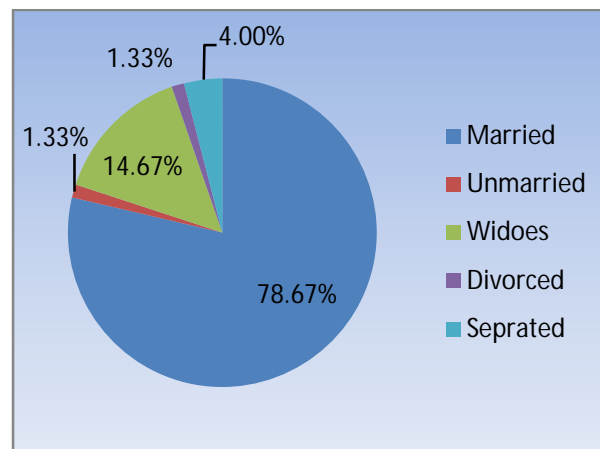
**Figure-1
 Age Group**



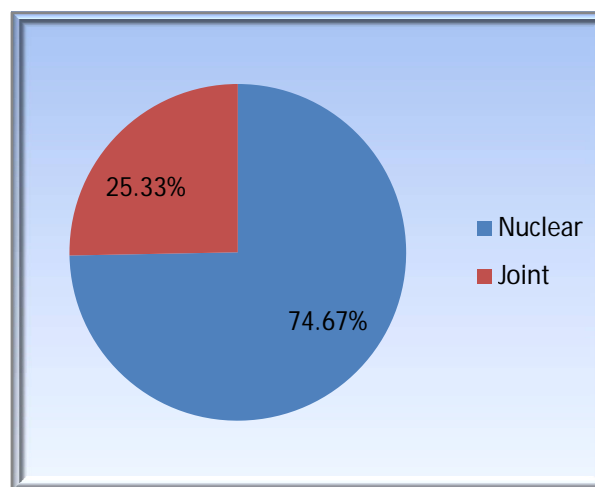
**Figure-2
 Education**

The majority of the surveyed beneficiaries were reported poor in terms of educational qualification. 28.00 percent respondents were reported to be illiterate, 22.67 percent were literate, 12.00

percent were primary educated, 14.67% were middle educated and remaining were from secondary to post graduate level (figure-2).



**Figure -3
 Marital status**



**Figure-4
 Type of family**

Figure 3 shows the marital status of respondents, 78.67 percent respondents were reported to be married and 14.67 percent were widows. Figure-4 shows that the 74.67 percent respondents were living in nuclear families whereas 25.33 percent were living in joint families. Employment status of the respondents shows that more than one fourth (28.00%) respondent were housewives, while (18.00%) were self employed and highest (36.00%) were of labour class (figure-5).

Figure-6 shows the annual income of surveyed families. The majority of the families (36.42%) were belong to income group of Rs. 45,000 to 55,000/-, 25.34 percent were belong to income group of Rs. 55,000 and above, 23.58 percent were belong to income group of Rs.35,000 to 45,000/- per annum.

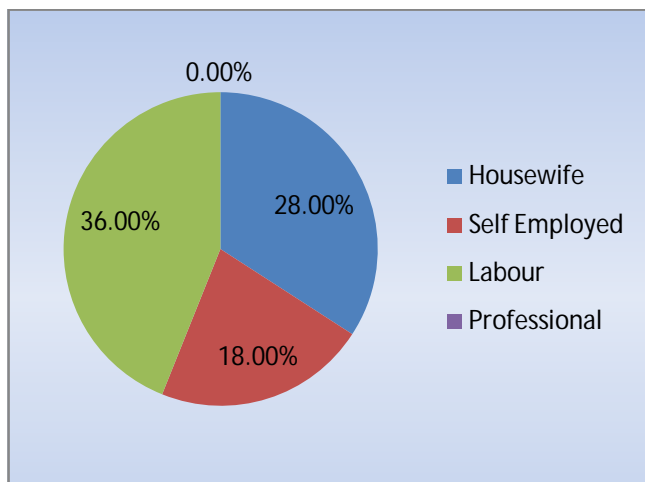


Figure -5
 Employment status

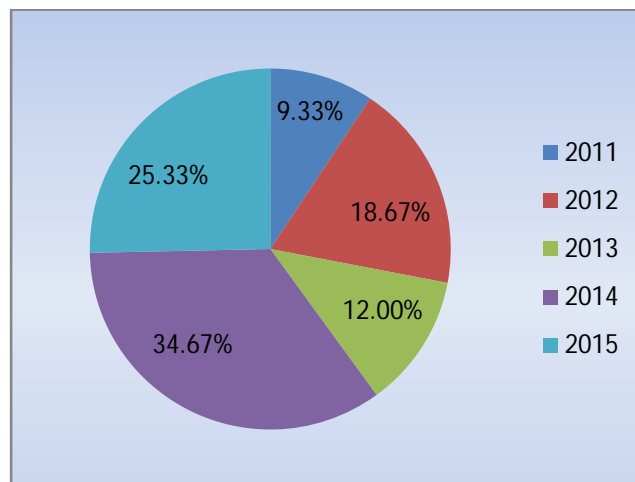


Figure-7
 Joining of Groups

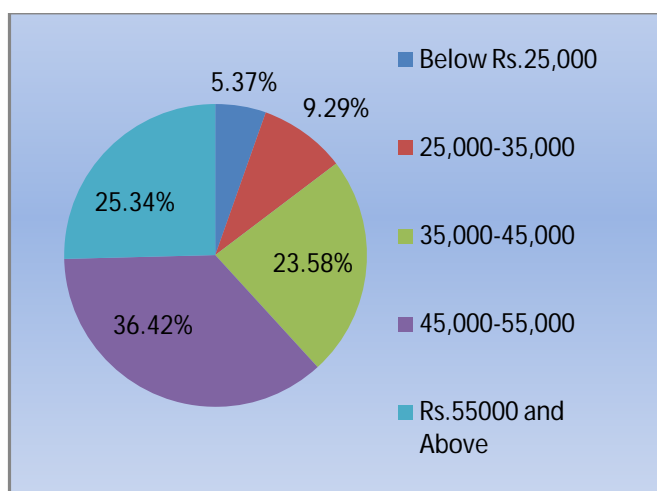


Figure -6
 Annual Income of Family

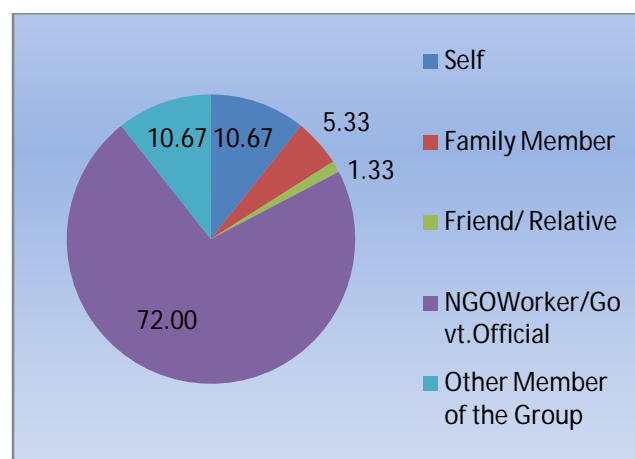


Figure-8
 Motivation to Join Group

Involvement in SHGs: SHGs are basically shaped for the purpose of empowering the members by enable them to take decisions regarding their lives and enhance their status. To meet out the general goals of micro-credit and well-organized functioning of SHGs, participation of member’s in various activities of self help groups is important . Years of joining the groups are shown in the figure -7. Most of the beneficiaries joined their group in 2014 (34.67%) and 2015 (25.33%). While the 12 percent respondents joined the groups in 2013, 18.67 percent respondents in 2012 and 9.33 percent respondents in 2011.

The selected respondents were inquired about the source of inspiration to connect with SHGs. Figure-8 shows that most of the survey respondents (72%) were inspired by NGO’s workers to join the group. Hence NGO’s are playing a vital role as motivators to the community.

Table-2
 Awareness of SHG’s Activity

Awareness Criteria/Activity	Number of Respondents
Meeting Calendar	47(62.67)
Rules and Regulation	58(77.33)
Information and Record of group	67(89.33)
Cash Balance	60(80.00)
Bank Balance	44(58.67)
Total Capital	59(78.67)
Savings	64(85.33)
Total Loaning	62(82.67)
Total No. of Member taken Loan	51(68.00)
Total No. of Member repaid Loan	56(74.67)
Name of Bank	74(98.67)
Income of Group	69(92.00)
Objectives Of Group	61(81.33)
Achievements of Group	53(70.67)
Total (N)	75(100)

Table- 3 shows the most of the group -members were sentient about, the income of group, information of group record, name of bank, loaning of the group to member etc.

joining the self help groups. Members attentiveness concerning nourishment, health, wellbeing, family unit planning and making of decision, power regarding to funds centered, recognition in family and community have significantly improved.

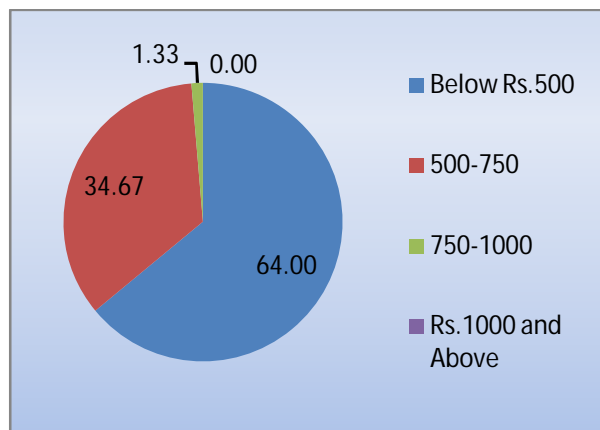


Figure-9
 Saving rate per month

Saving rate of respondents is shown in the figure-9. Data reveals that 64 percent respondents were saving less than 500 rupees and 34.67 percent were saving Rs. 500 to 750, only 1.33 percent were saving Rs. 750 to 1000 per month .

Table-3 shows the Purpose of saving. The respondents were reported that they save for the purpose of self respect (100%), emergencies (98.67%), medical purposes (94.67%), and festivals (80.00%) etc.

Data from the table -4 reveals that the social and economic circumstances of the respondents have been enhanced after

Table-3
 Purpose of saving

Purpose	Number of Respondents
Social Security	69(92.00)
Food Security	44(58.67)
Education	55(73.33)
Medical	71(94.67)
Marriage	52(69.33)
Festival	60(80.00)
Emergencies	74(98.67)
Agriculture	58(77.33)
Asset Building	49(65.33)
Self Respect	75(100.00)
Total (N)	75(100.00)

Conclusion

Socio-economic empowerment has been considered significant for overall development. Women’s empowerment is evidently necessary for escalating socio-economic condition of the women in the society. The SHGs enabled women to aware about their rights, entitlements, taking part in various development programmes and economic activities for their substantial development. Thus, SHGs made noteworthy impact on women empowerment.

Table-4
 Socio-economic conditions

	Same	Increase	Decrease	N
Recognition in family	40(53.33)	34(45.33)	1(1.33)	75
Recognition in community	54(72.00)	19(25.33)	2(2.67)	75
Literacy/Education	60(80.00)	15(20.00)	00(0.00)	75
Access to Health Service	9(12.00)	66(88.00)	00(0.00)	75
Access to immunization	8(10.67)	67(89.33)	00(0.00)	75
Access to sanitation	66(88.00)	9(12.00)	00(0.00)	75
Asset Building	48(64.00)	27(36.00)	00(0.00)	75
Family income	7(9.33)	68(90.67)	00(0.00)	75
Nutritional Awareness	19(25.33)	56(74.67)	00(0.00)	75
Family Planning awareness	22(29.33)	49(65.33)	4(5.33)	75
Health Awareness	00(0.00)	75(100.00)	00(0.00)	75
Participation in development Programmes	44(58.67)	31(41.33)	00(0.00)	75
Individual Income	00(0.00)	75(100.00)	00(0.00)	75

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