

Women Empowerment through SHGs with reference to SBI

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Abstract

This abstract explores the pivotal role of Self-Help Groups (SHGs) in fostering women's empowerment, specifically highlighting the contributions and strategies employed by State Bank of India (SBI) in this endeavor. SHGs are vital grassroots organizations that enable women, particularly in rural and semi-urban areas, to pool their savings, access micro-credit, and engage in entrepreneurial activities. This collective approach not only addresses financial exclusion but also strengthens social capital and decision-making power among members. SBI, as a leading public sector bank, has been instrumental in promoting and nurturing these SHGs through various initiatives. This includes providing financial literacy training, facilitating easy access to credit at preferential rates, and offering guidance on business development and market linkages. The bank's extensive branch network and dedicated SHG programs have significantly broadened the reach of financial services to marginalized women, helping them transition from dependence to self-reliance. The impact of SBI's engagement with SHGs extends beyond mere economic upliftment. It contributes to enhanced social empowerment, as women gain confidence, improve their negotiation skills, and increasingly participate in community affairs and local governance. Through their involvement in SHGs, women develop leadership qualities, build supportive networks, and challenge traditional gender norms. This abstract argues that SBI's continued commitment to SHG-led women's empowerment is a powerful model for inclusive growth, demonstrating how financial institutions can be catalysts for profound socio-economic transformation.

1.INTRODUCTION

Since independence, India is developmental policies with an objective experimenting with different types of to enhance the welfare and well-being of

her population. Several Groups like women, aged people, people with deficiency, ethnic ,religious and sexual minorities and all the groups that are commonly recognizes by their "vulnerable situation" have been continually and still are excluded from the development benefits. As an attempt in the right direction of development process, there has been genesis of the theory of "Inclusive Development" and that being debated in the recent past. Financial inclusion or inclusive financing is the delivery of financial services at affordable costs to sections of disadvantaged and low income segments of society "The process of ensuring access to financial services and timely and adequate credit where needed by vulnerable groups such as weaker sections and low income groups at an affordable cost"

Definition:

The post-nationalization period in the banking sector, circa 1969, witnessed a substantial amount of resources being earmarked towards meeting the credit needs of the poor. There were several objectives for the bank nationalization strategy including expanding the outreach of financial services to neglected sectors (Singh, 2005). As a result of this strategy, the banking network underwent an expansion phase

without comparable in the world. Credit came to be recognized as a remedy for many of the ills of the poverty. There spawned several pro-poor financial services, support by both the State and Central governments, which included credit packages and programs customized to the perceived needs of the poor. While the objectives were laudable and substantial progress was achieved, credit flow to the poor, and especially to poor women, remained low. This led to initiatives that were institution driven that attempted to converge the existing strengths of rural banking infrastructure and leverage this to better serve the poor. The pioneering efforts at this were made by National Bank for Agriculture and Rural Development (NABARD), which was given the tasks of framing appropriate policy for rural credit, provision of technical assistance backed liquidity support to banks, supervision of rural credit institutions and other development initiatives.

Emergence Of The Shg Movement

While no definitive date has been determined for the actual conception and propagation of SHGs, the practice of small groups of rural and urban people banding together to form a savings and credit organization is well established in India. In the early stages, NGOs played

a pivotal role in innovating the SHG model and in implementing the model to develop the process fully. In the 1980s, policy makers took notice and worked with development organizations and bankers to discuss the possibility of promoting these savings and credit groups. Their efforts and the simplicity of SHGs helped to spread the movement across the country. State governments established revolving loan funds which were used to fund SHGs.

By the 1990s, SHGs were viewed by state governments and NGOs to be more than just a financial intermediation but as a common interest group, working on other concerns as well. The agenda of SHGs included social and political issues as well. The spread of SHGs led also to the formation of SHG Federations which are a more sophisticated form of organization that involve several SHGs forming into Village Organizations (VO) / Cluster Federations and then ultimately into higher level federations (called as Mandal Samakhya (MS) in AP or SHG Federation generally). SHG Federations are formal institutions while the SHGs are informal. Many of these SHG federations are registered as societies, mutual benefit trusts and mutually aided cooperative societies.

Research Methodology:

Primary data: The primary data refers to the data collected from direct questioning and which has not been collected or gathered earlier by any other research study. The data for this study was collected by interacting with SHG members.

Secondary data: This type of data refers to the gathering of information from the sources that have “readymade data” already in possession. This data has already been collected and compiled. This data has been collected from the websites, books, research papers and magazines.

Tools For Data Collection

The tools used for data collection was unstructured questionnaire and interaction with the members of SHGs.

Tools For Data Analysis

The tools used for analyzing of data are histograms, percentages and chi-square distribution for interpreting of data.

II.LITERATURE REVIEW

Women empowerment is a multifaceted concept that encompasses a wide range of issues related to gender equality, women's rights, and social justice. In recent years, there has been a growing

interest in the academic literature on women's empowerment, and numerous studies have been conducted to explore different aspects of this phenomenon. One important aspect of women's empowerment is economic empowerment. Women's participation in the labor force is widely recognized as a key factor in promoting economic growth and reducing poverty.

According to a study by Kabeer and Mahmud (2004), women's economic empowerment can lead to increased income, improved nutrition and health, and greater decision-making power within the household. In addition, women's economic empowerment can also have a positive impact on the broader community, by promoting gender equality and reducing gender-based discrimination.

Another important aspect of women's empowerment is political empowerment. Women's participation in political decision-making has been shown to be a critical factor in promoting gender equality and advancing women's rights. According to a study by Verba, Schlozman, and Brady (1997), women's political participation can lead to greater representation of women's interests in the policy-making process and can also increase the visibility and legitimacy of women's issues. Education is another

key factor in women's empowerment. Education can provide women with the knowledge and skills needed to participate more fully in social, economic, and political life. According to a study by Malhotra and Mather (1997), education can also help to challenge traditional gender roles and stereotypes, and can promote greater gender equality and social justice.

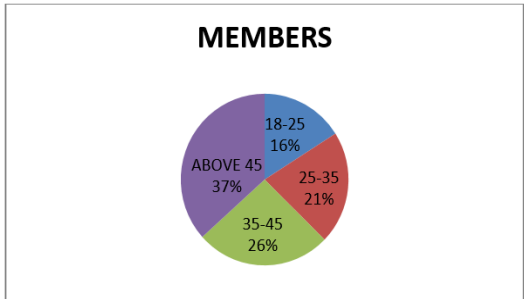
Rashmi Rani Agnihotri H.R and Malipatil, K.S.(2017)- in their paper entitled „A Study On Women Empowerment Schemes In India“ express that “Women’s’ empowerment has become a significant topic of discussion in development and economics. It can also point to approaches regarding other trivialized genders in a particular political or social context. Empowering women to participate fully in economic life across all sectors is essential to build stronger economies, achieve internationally agreed goals for development and sustainability, and improve the quality of life for women, men, families and communities. Give power or authority they can take their own decisions regarding their lives and wellbeing in the family and society. It is empowering women to make them able to get their real rights in the society. Women’s Empowerment Principles:

EqualityMeans Business. Empowering women to participate fullyin economic life across all sectors is essential to build stronger economies, achieve internationally agreed goals for development and sustainability, and improve the quality of life for women, men, families and communities. As we all know that India is a male dominated country where males are dominated in every area and females are forced to be responsible for only family care and live in the home including other many restrictions.

III.DATA ANALYSIS AND INTERPRETATION

1. Social And Economical Background

AGE	MEMBERS	PERCENTAGE
18-25	24	16
25-35	32	21.33
35-45	39	26
ABOVE 45	55	36.67
TOTAL	150	100



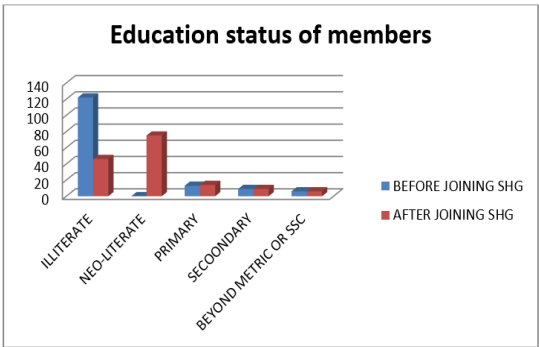
INTERPETATION

From the above table we can draw the information related to the age of members and the number of members

falling under each age group. There are very few members under the age group of 18-25, where as the number of members falling under the age group of above 45 are more. i.e.,37%.

2. EDUCATIONAL LEVELS

E.STATUS	BEFORE JOINING SHG	AFTER JOINING SHG
ILLITERATE	122	46
NEO-LITERATE	0	75
PRIMARY	13	14
SECOONDARY	9	9
BEYOND METRIC OR SSC	6	6
TOTAL	150	150



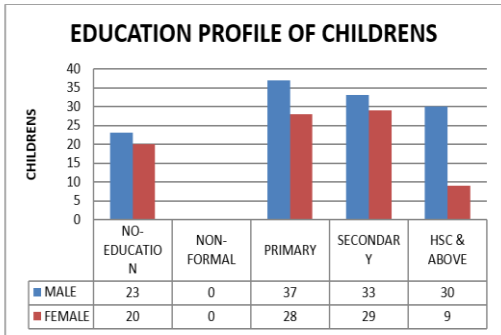
INTERPRETATION

The above table shows the educational levels of the self help group members. It can inferred that majority of the number of members are in the lying in the cadre of illiterate. Some of the members completed their PRIMARY and SECONDARY educations. Some of them are also go head for their BEYOND MATRIC level. But most of the members are ILLITERATE. The reason could be, the women in India do not have an access to formal education so most of them had not able to perceive

their education. But now the situation is changed, every one coming to know that education is needed for all. The table represents the educational levels of the members of SHG before and after joining. After joining the SHG the educational levels of the member were changing. Most are them are falling under NEO-LITERATE cadre.

3. CHILDRENS

STATUS	MALE	FEMALE	PERCENTAGE
NO-EDUCATION	23	20	20.57
NON-FORMAL	0	0	0
PRIMARY	37	28	31.1
SECONDARY	33	29	29.67
HSC & ABOVE	30	9	18.67
TOTAL	123	86	100



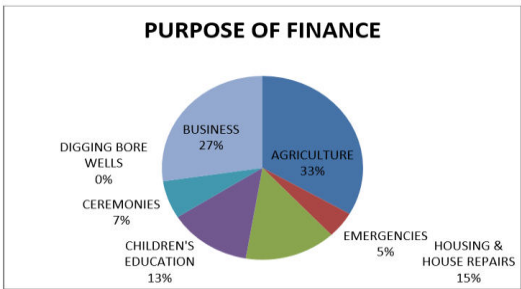
INTERPRETATION

The above table shows that the educational level of children of SHG members. It can be inferred that 20% of their children were not getting education. More than 30% of their children are in PRIMARY, and 28% were in SECONDARY and near to 20% were pursuing HSC & ABOVE. Which a good sign, had brought by SHG. But still they are not getting non-formal

education. It differs from person to person.

4. PURPOSE OF FINANCE

USE OF LOAN IN	MEMBERS	PERCENTAGE
AGRICULTURE	50	33.33
EMERGENCIES	7	4.67
HOUSING & HOUSE REPAIRS	22	14.67
CHILDREN'S EDUCATION	20	13.33
CEREMONIES	10	6.67
DIGGING BORE WELLS	0	0
BUSINESS	41	27.33
TOTAL	150	100

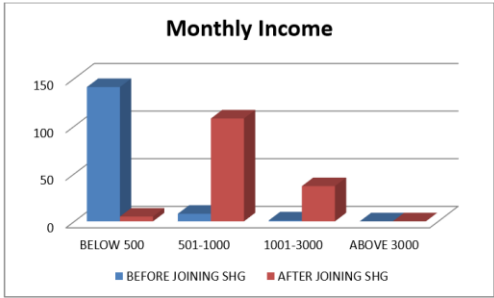


INTERPRETATION

The above table depicts the usage of loan amount had done in different areas. Most of them are using it for agriculture purpose. i.e., 33% .And 27% of members were using for Business, Some were taking loan for their children’s education, i.e., 13%.

5. INCOME LEVELS

MONTHLY INCOME		
AMOUNT	BEFORE JOINING SHG	AFTER JOINING SHG
BELOW 500	141	5
501-1000	8	108
1001-3000	1	37
ABOVE 3000	0	0
TOTAL	150	150

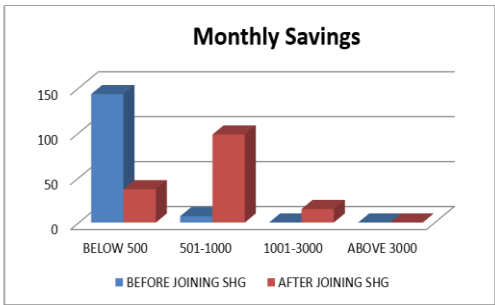


INTERPRETATION:

The above table depicts the different income levels of the members and the number of members falling under each income level. It can also be noted that the income levels of majority of the SHG members are ranging **below 500**, But after joining SHG they were recovered, increased the income levels in **500-1000 & 1000-3000**.

6. MONTHLY SAVINGS

MONTHLY SAVINGS		
	BEFORE JOINING SHG	AFTER JOINING SHG
AMOUNT	SHG	SHG
BELOW 500	143	37
501-1000	7	98
1001-3000	0	15
ABOVE 3000	0	0
TOTAL	150	150

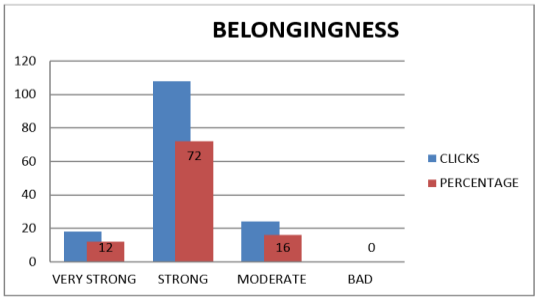


INTERPRETATION

The above table represents the saving structure of members of SHG. The savings varies from person to person

according to their income levels. Before joining SHG most of their savings were below 500, after joining suddenly their saving levels are increased from below 500 to 500-1000.

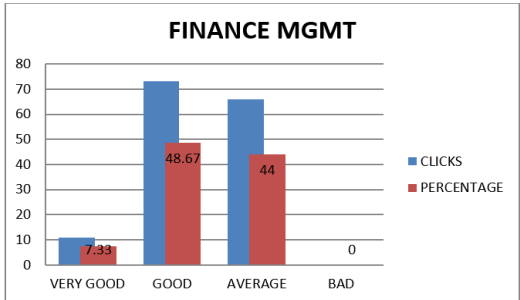
7. GROUP GOVERNANCE



INTERPRETATION:

The above table gives the data on the impact of members belongingness in group. It can be observed that most of them had “strong” belongingness in group. Only **16%** of the respondents said that they had “moderate” belongingness in group.

8. FINANCE MANAGEMENT



INTERPRETATION:

The maintenance of account books and other records is good at **50%** and some said it is average. i.e.,**44%**.

IV.FINDINGS

Based on the interviews and discussions with the group members, field workers of local NGO and group questionnaire survey results, the following findings emerged.

1. The members had joined the group in order to earn more income, promote savings habits and to develop collective economic and social activities.
2. In order to measure the performance of SHGs in MEDAK district, various factors such as homogeneity, regularity in conducting meeting.
3. So far as the frequency of group meetings concerned, it is observed that fortnightly meetings were the most common.
4. The Groups maintain cashbooks, passbooks and attendance registers .The members in-charge of accounts are being given training in bookkeeping by the CCD. But the member who looks after all these secretarial work is not paid any financial incentive.
5. The SHG disbursed loans both for consumption and production purpose.
6. The members have invested the loan in different economic activities like broom making, leaf-plates, preparing eatables like bodi, papad, etc. They are also engaged in poultry, dairy and goatery business ,with that they earn about Rs. 600 to Rs.1000 per month through these activities.

V.CONCLUSION

SHGs have started reaping fruitful results by creating self-confidence through economic independence among the women. Women especially in rural areas have started playing a vital role through mobilising savings and build the capital resources of the country through SHG.

The economic status of the members is increased through venturing a business, thereby increasing the income. An emancipation of women in society will ensure to develop social network among the people and build socially, economically and technologically a strong nation. Government can contribute most effectively by setting sound macroeconomic policy that provides stability and low inflation. These groups were informal groups whose members pool savings and relend within the group on rotational or needs basis. These groups got formed based on specific activity, Promoted savings among members and uses the pooled resources to meet emergent needs of members, including consumption as well as production needs. The internal savings generated by these groups were well supplemented by external resources loaned/donated Banks, Gramin Vikas Trust and Govt. Agencies. These Self Help Groups were

able to mobilize their and also effectively recycled the pooled savings among members. They succeeded in performing/providing banking services to their members, though in primitive way, but in a manner which was cost effective, simple, and flexible. At personal level, the average income of the members increased substantially. The literacy level of the members increased. Also the level of awareness on health and hygiene has increased. The group members clearly perceived their social, educational and economical upliftment by the SHG formation. Seeing the upliftment through SHG movement, other women of the villages has also started forming groups.

VI. REFERENCES

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