



Self-help groups: A participatory approach to self-reliance and empowerment

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Women spent their whole life showering upon others. She has to continuously sacrifice her desires in many instances of life. Although gender equality is first and foremost human right, but seems to a far reality. Empowering women is also an indispensable tool for advancing development and reducing poverty. Empowered women contribute to the health and productivity of whole families, communities and to improved prospects for the next generation. The importance of gender equality is underscored by its inclusion as one of the eight Millennium Development Goals. The status of women is the depiction the social, economic and mental condition in a nation as quoted by Jawaharlal Nehru

“You can tell the condition of a nation by looking at the status of its women.”

One has to believe that the progress of any nation is inevitably linked with social and economical plight of women in that particular nation. Indian census 2011 represents female population to be 586 million, which is 48.4 per cent of the total population. Female literacy rate in the country is 65.46 per cent. Out of this, 69 per cent of the female population is from the rural areas. In spite of having entrepreneurship qualities, the women is not able to outshinedue to her poor financial status. The role of women entrepreneur requires to be expanded for the sustainable development of country.

The origin of self-help group can be traced from Grameen bank of Bangladesh, which was founded by Prof. Mohamed Yunus in 1976. In India, NABARD started the scheme on pilot project basis during 1991-92 and later extended it to all states in the country. Establishment of SHGs are filling the void due to absence of institutional credits in the rural areas. In 1999, Government of India introduced Swarn Jayanti Gram Swarozgar Yogana (SGSY) to promote self employment in rural areas through

formation and skilling of SHGs. A self-help group is a cluster of people with similar economic background formed to uplift their socio-economic status. All self help groups are based on the fundamental principle of “helping each other” and “unity is strength”. The common features of successful self help groups embrace identical interests, flexible, simple documentation, collective leadership, mutual decision making, group solidarity, socio-economic empowerment, mutual trust and respect for each others. Self-help group usually composed of 10-20 members (local women or men) between 18 to 40 years. Each group member deposits a fixed amount in a saving account

opened with or bank or any other financial institutions. The saving amount should be minimum of Rs.10/- but can be enhanced depending upon the economic condition of the group members.

Group members themselves decide on the set of rules and decision making for its smooth functioning. The members planned group meetings each

week, fortnight or month to facilitate the flow of ideas thus provides a platform to interact effectively. Group members continue to pool their savings in a common account to become financially stable. Group can lend the money to any needy member at any time. The interest rate and period of repayment is also decided by the group members. If the self-help group successfully runs for six months, SHG can avail the facility of bank loan. The attendance books, savings registers, loan register, meetings proceedings are the records to be maintained. Group member can acquire skill based trainings and start any enterprise with the help of bank loan.

Training is key component in the success of any entrepreneurial activity. Training can impart skills needed in running a particular venture and conscious about the



imminent challenges. Training helps in building confidence and boosting morale of group members. SHG members can acquire vocational trainings from various Govt. agencies such as State Agricultural University, Krishi Vigyan Kendra, Dairy Development Department, Department of Horticulture, ATMA, Department of Small-Scale Industries, Engineering institutes, Polytechnics etc. These agencies organize different vocational training courses on agriculture based subsidiary occupation *i.e.* mushroom cultivation, bee keeping, hybrid seed production, vermi-composting, food processing and preservation, detergent and phenyl making, embroidery, soft toy making and other etc. to impart skills which helps in enhancing income of the members of self-help groups.

Self help groups are considered as one of the most significant tools in participatory approach for women

empowerment. Women participation in self help groups is able to create impact upon life pattern of poor women and have empowered them not only as individuals but also as members of the family, community and society as a whole. A survey conducted on 12 groups in Punjab reported that that team spirit (97%), confidence in dealing with people (95.50%), talk freely within family (94%), ability to aspired for a better future (93.50%) and developed social relationships (92.50%) of 200 women had been increased after joining the group. SHGs are instrumental in developing women entrepreneurship in rural areas. Thus, SHG is a tool to encourage self-reliance, mutual help and uplift socio-economic status of women.

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