



Article : Women Empowerment through Self Help Group in India

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Introduction :

Women in most societies are subject to discrimination. The UN Convention on the Elimination of All Forms of Discrimination against women. The convention makes it binding on the consenting nations of the world to take corrective action to have to have gender just laws, end violence against women, as well as give women equal property rights, opportunities in education, access to health care, work opportunities, wages and end customs that are derogatory to women. The formation of women's Self Help Groups has emerged since the seventies in Bangladesh and since the early nineties in India-predominantly in the southern states. The groups typically have a membership of between five and twenty members and are informal associations of women. The women elect their leaders on democratic principles, save money, lend to each other and take higher order loans from financial institutions. They grow into change agents in their own village societies.

The earlier attempts at provision of credit to the poor under programs like the Integrated Rural Development Programme (IRDP) has massive defaults to sixty percent (Comptroller and Auditor General, 2003) and were judged to be unsuccessful. The provision of credit to women borrowers in groups, even though women had little or no collateral, leads to over 90 percent recovery of the loans given. The groups members acted as guarantee for the group's loans and peer pressure ensured that the loans were repaid.

Group Theory and what makes groups survive and work together has been discussed in this paper. What constitutes empowerment and how empowerment can be achieved, has also been discussed. Women generally face several traumas in life by virtue of their secondary status in society. The culture of silence that is prevalent among this suffering manifold. There are social taboos against women expressing their sorrow or narrating their household problems to the outsider. Self

Help Groups have emerged as Support Groups to bring about women's solidarity in facing all kinds of problems in their domestic environment. This has led to the increasing empowerment of women, releasing them from their anguish and helping them to resist injustice. Several studies that have examined these issues have been reviewed in this paper. The problems involved in impact analysis have also been briefly touched upon.

SELF HELP GROUPS

Self Help Groups have emerged as a means of providing poor people with the credit that they need to emerge from poverty. These groups were formed to help women meet their needs for friendly credit. The groups initially draw on their own savings at an interest fixed by themselves to lend within the group and later get linked to the formal credit system. The Grameen Bank was started in 1976 by Professor Mohammed Yunus in response to this need for capital by the poor. Later in 1983 it was converted into a statutory body by an ordinance of the government of Bangladesh. The Grameen Bank disbursed loans to groups consisting of five women; six to eight groups formed a centre. (Misra, 2003) The Grameen Bank used group guarantees, developed compulsory savings mobilization among the groups of poor people and had decentralized, cost effective operations for lending to the poor (Mc Guire and Conroy, 2000)

Self Help Groups also emerged in India. Groups were formed in MYRADA in 1984-85 and were initially called Credit Management Groups. In 1987 NABARD Sanctioned a grant to MYRADA for the institutional capacity building of the SHGs and to match the group savings. In fact several NGO's notably PRADHAN working in Rajasthan and Tamil Nadu realized that the IRDP system of provision or credit to the poor was ruining the banks as well as the poor. They experimented with lending to groups and persuaded banks to lend to such groups.

A review by the Working Group on Bank lending to the Poor through NGOs and SHGs (1995) led to policy changes that enabled banks to lend to groups, which were not formally registered, and without knowing the purpose in advance. (Fernandez 2004, Mahajan and Ramola, 2003) In Tamil Nadu the government supported program began in 1989 as an IFAD assisted pilot project in two blocks in Dharmapuri District, through the Women's Development corporation of Tamil Nadu. (Gariyali and Vettivel, 2003)

SHGs were also set up in Andhra Pradesh in 1992. It started as a Total Literacy campaign in Nellore district which led to the anti arrack movement. At a village meeting in Leguntapadu, the District magistrate suggested the savings of a rupee a day by women, leading to the formation of savings and credit groups. (Ramchandran, 1995) In Maharashtra NGOs like Chaitanya and BAIF have been active in forming SHGs for over fifteen years. The government-supported program started in twelve districts in 1994 with IFAD funding and was implemented by the women's development corporation. (MAVIM 2003)

Ø Stages in Group Development

Studies conducted have suggested that groups move through stages but that these are not constant across different groups. Groups are shown to be in four stages :

- Group Formation - 0-6 months
- Group stabilization - 7-12 months
- Self reliance - 13-18 months
- Institutionalization - 19-24 months

This stage continues till the group as under (MAVIM : Training module for Self Help Groups, 2002)

- Saving Group – Formation stage – 0 to six months
- Savings and Help Group – Linkage to financial institution –Six months to one year.
- Micro-Credit Group – Stabilization period – One year to thirty months
- Income Generation Group

- Self Help Group – Growth period - thirty months to forty eight months
- Mutual Help Group – Beyond forty eight months.

Misra (2003) categorizes these stages as :

- **Formation** - Where the formation revolves around the solution of a common problem-hence discordant member should not become part of the same group, as it leads to waste of time and energy in resolving the disputes.
- **Stormative** - When the group struggles to cohere. Some members who cannot co-exist with others may have to leave. Thus the first few months will see this transition.
- **Normative** - After the group settle down, it will decide on issues relating to transaction of business such as how much to save, when should a bank account be opened who should keep a record of the meeting, etc.
- **Performative** - This is gained once the loan cycle has been completed and the NGO and SHG both gain stability. The group expands its programs.

Thus the promotion of SHGs is a process, by which the members, who are identified by participatory techniques, come together for their mutual benefits. The promotion of groups is preceded by the conduct of surveys, participatory wealth ranking and the initiation of thrift and savings by the groups. Training of the group members is carried out in a number of subjects, they are taken on exposure visits, disseminated information and are constantly monitored as regards their development. (Tankha, 2002)

Self-Help Group & Micro– Finance

- During the year (07- 08) 5,52,992 new SHGs were credit linked with banks and bank loan of Rs.2,541.98 crore was disbursed taking the cumulative

number of SHGs credit linked to 34,77965 as on 31 March 2008. In addition, 186,883 existing SHGs were provided repeat loans of Rs, 1,685.60 crore. The programme has covered more than 5080 crore poor households, making it the largest MICRO – Finance (MF) programme IN THE WORLD As on 31 March 2007, 41.60 lakh SHGs maintained savings and had savings worth Rs. 3.512.71 crore outstanding with the banking sector. During 2006 – 07, bank credit of Rs.6,570.39 crore and Rs.1,151.56 crore was disbursed to 11.05 lakh SHGs (including 1.88 lakh under SGSY) AND 334 MFIs respectively.

- During 2007–08, grant assistance of Rs.1,369.77 lakh was sanctioned to various agencies for promoting 52,877 groups, taking the cumulative assistance sanctioned to Rs.6,119.37 lakh for 3.62 lakh group as at end –March 2008.

- Under NABARD's capacity building programmes for its partner institutions, 66 exposure / field visits to SHGs and institutions pioneering in MF for 2,754 bank / NGO officials 606 training and awareness programmes for 22, 452 participants from banks and NGOs, 258 sensitisation programmes covering 9,706 participants were arranged during the year involving an expended support for conducting 4,121 awareness creation and capacity building programmes covering 2,68,870 SHG members.

- To motivate and assist members of matured SHGs to take up income generating activities on a sustainable basis , NABARD continued to promote micro–enterprise development by SHG members. Under the pilot project launched during 2005–06 for promotion of micro–enterprises among members of SHGs, is being implemented in nine districts across nine States involving 14 NGOs acting as 'micro–enterprises promotion agency' (MEPA). Cumulatively 2,759 micro–enterprises were established under the post project involving bank credit of Rs.237.72 lakh as on 31 March 2008. NABARD also supported three exhibitions of of products prepared by various SHGs for grant assistance of Rs.3.85 lakh during 2007–08.

· NABARD selectively extends the Revolving Fund Assistance (RFA) to MFIs for experimenting with various MF models. During the year, RFA of Rs.8.06 crore was sanctioned to six agencies taking the aggregate support to Rs.36.38 crore as on 31 March 2008 for 35 agencies, In addition, to enable rating of MFIs and empowering them to intermediate between the lending bank and the clients, NABARD provides financial assistance to commercial banks and RRBs to avail the services of credit rating agencies for the purpose. During 2007–08 , support of Rs.3.40 lakh was extended to four agencies for availing credit rating services. The scheme to provide capital /equity support to MFIs was introduced by NABARD to enable them to leverage capital/equity for accessing funds from banks, providing financial services at an affordable cost to the poor, and achieve sustainability in their credit operations over a period of 3-5 years. As on 31 March 2008, total capital support of Rs.9.25 crore was sanctioned to 11 agencies.

· NABARD continued to implement the pilot projects launched during the earlier years. Encouraged by the progress of the pilot project on SHG–Post Office Linkage Programme in Tamil Nadu, the Bank extended it to Meghalaya. During the year, RFA OF Rs. 5 lakh was sanctioned for on – lending to 50 SHGs in East khasi Hills. Cumulatively 2,831 SHG Have opened zero interest savings accounts of which 371 SHGs were credit linked by the participating Post Offices and loan amounting to Rs. 88.23 lakh extended as on 31 March 2008. The pilot project for providing a social security system for SHG members in two villages covering 500 poor households from Betul district of Madhya Pradesh is being implemented though the Organization for Awareness of Integrated Social Security (OASIS) with a grant assistance of Rs.8 lakh. During 2007–08, grant assistance of Rs.1.20 lakh was released.

· Recognising the growing role of the SHG federations and their value addition to SHG functioning. NABARD, during the year, decided to support the federations on model neutral basis and solely on merits of the proposal and also formulated the broad norms for deciding grant of financial assistance. Support would be extended to the federation by way of grant assistance for training , capacity building, exposure visits of SHG

members etc. During the year, grant assistance of Rs.10.48 lakh was sanctioned to two federations.

· During the year, Rs.26.67 crore was utilised from the micro-finance Development and Equality Fund (MFDEF) for MF related activities. The North-Eastern Council (NEC), Shillong parked a fund of Rs.50 lakh with NABARD during the year for facilitating miscellaneous training programmes involving government/bank officials, NGOs, SHGs from states in the NER and Sikkim. As on 31 March 2008, 73 programmes were sanctioned out of the fund involving a total grant assistance of Rs.45.01 lakh. During the year, Karnataka Agri-Development Financial Co. Ltd., was restructure into NABARD financial Services Limited (NABFINS) as a wholly owned subsidiary of NABARD to facilitate setting-up of benchmark and standard for the MFI sector

· Under the NABARD-GTZ Rural finance programme, a study was undertaken to assess the transaction cost of various agencies and MFIs in purveying MF through SHGs or other types of groups. Training modules were developed to sensitise bank branch managers and SHG members for monitoring group so as to minimise risk in leading through early warning and were circulated to training institutions involved in MF. The NABARD-KfW programme, financial cooperation with India-Capitalization program SEWA Bank's aims at sustainable improvement in access of poor women to micro –credit, both in rural and urban areas. The project with financial contribution of Euro 4,090,330 will be impalement in Gujrat by SEWA bank and NABARD would act as the intermediary agency responsible for providing technical support and undertaking periodic review, monitoring and supervision of the project. During the year, KfW released grant assistance of Rs.1 core to SEWA bank under the project.

During 2007-08 bank lone of Rs.4,227.58 core was disbursed to 7,39,875 SHGs (including repeat finance of Rs.1,685.60 core to 1,86,883 existing SHGs)vis-à-vis Rs.6,570.39 core distributed to 11,05,749 SGGs during 2006-07. The agency-wise distribusement reveal that, commercial banks accounted for 42 and 48 percent of the SHGs credit linked and bank lone distributed per SHG amounted to Rs.59,420

during 2006-07. During 2007-08, NABARD extends refinance of Rs.1,615.50 crore under the programme.

Further 28.95 lakh SHG accounts (including those under SGSY) had loans outstanding worth Rs.12,366,49 crore from all agencies and 41.60 lakh SHG maintained saving outstanding of Rs.3,512.71 crore with the banks on 31 March 2007

Growth of SHG in India :

The SHG bank Linkage project is expected to be advantages to the banking sector from both the angles of fulfillment of social goals (like reaching out the poor) and achieving operational efficiency (by externalizing part of their transaction cost). The improvement of the SHG bank Linkage programme is seen in Table. In the initial period i.e. in 1992-93, just 255 SHGs were linked to banks with Rs.2.89 million as refinance from Nabard. In a span of one and half decade in expanded rapidly. In 2006-07, 20,24,973 SHGs have been linked with the banks with refinancing of Rs.1,80,407 million.

So Far as spatial outreach of the SHG bank Linkage is concerned the programme covered 583 districts in 31 states/UTs. The state wise SHG bank Linkage data shows that the programme is skewed in favour of the southern states, particularly Andhra Pradesh. This state alone accounts for 26.2 percent of total SHGs formed and 38.1 percent of the total credit, while the North-East and Northern region together constitutes 8.7 percent of the total programme. This imbalance is an issue that requires serious attention. It needs sustained efforts in other regions where there is a latent demand for microfinance services.

Growth of SHG bank Linkage Programme

Year	Cumulative No. of Groups	Cumulative amount of loan (Rs.in million)
1992-93	255	2.89
1993-94	620	6.53

1994-95	2122	24.45
1995-96	4757	60.58
1996-97	8598	118.36
1997-98	14317	237.95
1998-99	32995	520.60
1999-00	114775	1928.70
2000-01	263825	4808.70
2001-02	461478	10260.00
2002-03	717360	20490.00
2003-04	1079091	39040.00
2004-05	1618456	68984.60
2005-06	2238565	139754.30
2006-07	2924973	180407.40

Source : www.nabard.org.

The recovery performance of SHGs too reflects a high persistence of recovery. As on 31 March 2007, of the 290 reporting banks, 73 percent banks reported recovery of > 80 percentage in repeat of their SHG portfolio, Agency-wise, 26 commercial banks (out of 36), 55 RRBs (out of 73) and 131 co-operative bank (out of 181) reported recovery above percent

Agency-wise SHG-Bank Linkage Programme : Cumulative Progress				
(As on 31 March)				
Agency	SHGs credit Linked		Bank Lone Disbursed	
	2007	2008*	2007	2008
Commercial Bank	5,71,636 (52)	3,12,359 (42)	3,918,94 (60)	2042.56 (48)
RRBs	3,81,199 (34)	2,40,596 (33)	2,052,73 (31)	1,599,51 (38)

Co-operative Bank	1,52,914 (14)	1,86,920 (25)	598.72 (09)	585.51 (14)
Total	11,05,749 (100)	7,39,875 (100)	6,570,39 (100)	4227.58 (100)

Agency-wise Saving and loans outstanding to SHGs (As on 31 March 2007)		
Agency	Number	Amount
a) saving outstanding		
Commercial Bank	22,93,771 (55)	1,892,42(54)
RRBs	11,83,065 (29)	1,158.29 (33)
Co-operative Banks	6,83,748 (16)	462.00 (13)
Total	41,60,584 (100)	3,512.71 (100)
Saving per SHG(Rs.)		8,469
b) Loans outstanding		
Commercial Bank	18,93,016 (65)	8,760,38 (71)
RRBs	7,29,255 (25)	2,801.76 (23)
Co-operative Banks	2,72,234 (10)	804.35 (06)
Total	28,94,505 (100)	12,366,49 (100)
Loan o/s per SHG (Rs.)		42,724

The SHG-Bank Linkage Programme of NABARD has emerged as the primary model for providing Micro-Finance (MF) services in the country. It is a proven tool of extending to the unbanked rural clientele access to formal financial services. Encouraged by the success of the programme, NABARD promoted the linkage of Micro-Finance Institutions (MFIs) with the banking sector. The MFI-Bank linkage model too has assumed importance on account of credit support extended by banks for on lending to clients by MFIs. During the year 5,52,992 new SHGs (excluding SGSY) were credit linked with banks and bank loan of Rs.2,541.98 crore disbursed, taking the cumulative number of SHGs credit linked to 34,77965 as on 31 March 2008. In addition 1,86,883 existing SHGs were provided repeat loan of Rs.1,685.60 crore. As on 31 March 2007. 41.60 lakh SHGs

maintained savings and had savings of Rs.3,512.71 crore outstanding with the banking sector. The programme has covered more than 5.8 crore poor households, making it the largest MF programme in the world. During 2006-07, bank credit of Rs.6,570.39 crore and Rs.1,151.56 crore was discussed to 11.05 lakh SHGs (including 1.88 lakh under SGSY) and 334 MFIs, respectively. The overall progress of the MF programme is given in Table.

Table : Progress of the Micro-Finance Programme

(As on 31 March 2007)

Particulars	Self-Help Groups				Micro-Finance Institutions	
	2006-07		2007-08		No.	Amount
	No.	Amount	No.	Amount		
Loans disbursed	11,05,749 (1,88,962)	6,570.39 (1,411.02)	7,39,875 -	4,227.58 -	334	1,141.56
Loans outstanding	28,94,505 (6,87,212)	12,366.49 (3,272.03)	- -	- -	559	1,584.48
Savings Accounts with banks	41,60,584 (9,56,317)	3,512.71 (757.50)	- -	- -	- -	- -

* Figures in parentheses indicate the share of SHGs covered under SGSY.

@ Provisional data excluding SGSY groups.

Actual number of MFIs provided with bank loans would be lower as several MFIs have availed loans from more than one bank.

\$ Including repeat loan of Rs. 1,685.60 crore to 1,88,883 existing SHGs.

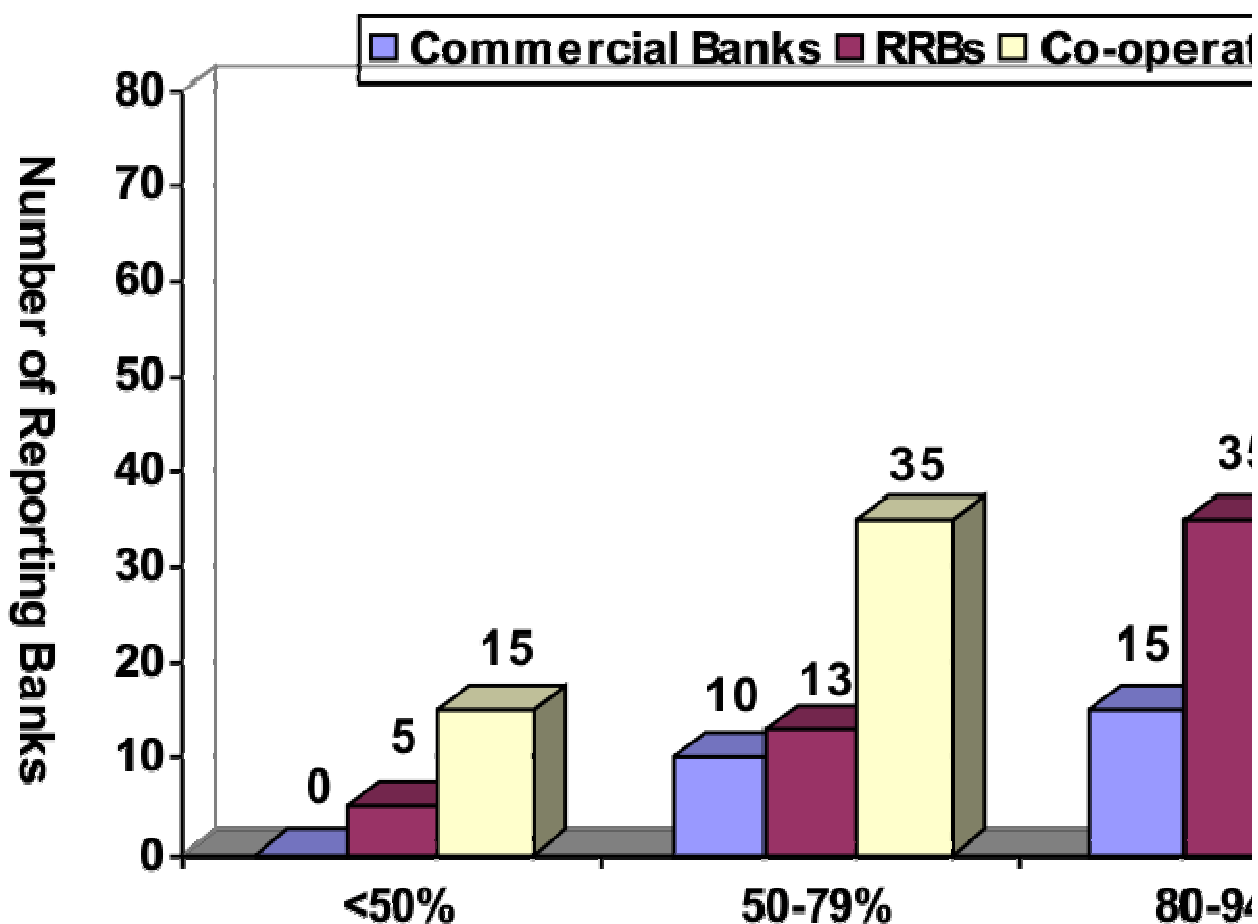
Co-financing

NABARD has executed MOU with 16 commercial banks 2 RRBs and NBFC for supporting innovative agricultural projects viz. agro/food processing, animal husbandry, poultry, plantation & horticulture, waste land development, bio-fuel cold storage agri-marketing complex, bio-fertiliser, etc., under co-financing

arrangement. Cumulatively, 28 projects were sanctioned involving total lone of Rs.409.79 crore and NABARD share of Rs.176.88 crore as on 31 March 2008. During 2007-08 12 projects were sanctioned with TFO of Rs.118.83 crore, bank loan of Rs.85.05 crore and NABARD's share of Rs.42.53 crore. An amount of Rs.27.31 crore was disbursement to Rs.72.81 crore as on 31 March 2008.

Chart

Agency-wise Recovery Performance of Bank Loans to SHGs



Table

Progress under MFI Bank Linkage Programme (Rs. Crore)

Agency	Bank Loan disbursed (2006-07)		Loans Outstanding (As on 31 March 2007)	
	No.	Amount	No.	Amount
Commercial Banks	327	1151.34	541	1584.28
RRBs	7	0.22	8	0.20
Co-operative Banks	-	-	1	0.006

The actual number of MFI would be less as some MFIs have availed loans from more than one bank.

Data Provisional.

Ref: Nabard Annual Report 2007-08

Capacity Building of Partner Agencies :

NABARD continued to play the role of a facilitator in scaling-up the MF programme. Three zonal workshops covering all regional officers were conducted to fine tune strategies for up-scaling support to the MF Sector. During 2007-08 an expenditure of Rs.13.32 crore was incurred on various promotional activities as against Rs.11.07 crore in the previous year.

Banks have found in SHGs a reliable credit delivery mechanism which is cost –effective. Concerned, as they are, with the imperative need for avoiding Non performing Assets, lending through SHGs is accepted as a safer means of reaching out to the poor, especially in rural areas.

The view, therefore, is that SHG financing should be continued with greater thrust under the XI Five year plan. The effort should be made to bring all the poor, in a phased manner, into the fold of SHGs. Keeping in view the past progress and existing potential, it is proposed that additional 3.97 lakh new SHGs can be financed by banks in XIth Five year plan.

Year wise broad goals recommended for financing new SHGs for the XI five year plan are as under :

Year	No. of Groups
2007-2008	530000
2008-2009	640000
2009-2010	770000
2010-2011	920000
2011-2012	1110000

SHGs, POVERTY ALLEVIATION AND EMPOWERMENT

While the Grameen Bank broke new ground in dealing with the problem of the access of the poor to credit, with the formation of small groups of five members, eight of which formed a centre; the growth of the Self Help Group movement has been phenomenal especially in Southern India. In 1992, a pilot program of extending bank linkages to 500 SHGs was started by NABARD and by 1995 about 2500 groups were linked.

SHG- Bank Linkage Programme

Progress

NABARD initialised the “SHG- Bank Linkage Programme” in 1992 as a pilot project and mainstreamed in 1996. The objective of the programme is to enable formal banking services to provides financial services to the rural poor through the process of saving and credit linkage of self help groups. This scheme has made tremendous progress in the recent years. As on March 2006, banks have cumulatively linked 22.38 lakh groups and distributed loans of Rs.11,397.55 crore. The trend in distribursement of bank loans to SHGs since inception is presented in Table 1.

Table : Progress in credit linked SHGs

Year	New SHG financed by			Bank Loan		
	Banks		Cumulative	(Rs. in crore)		
	During the year			During the year		Cumulative
No.	Growth%	No.	Amt.	Growth%	Amt.	
1992-99	32,995		32,995	57.07		57.07
1999-00	81,780	148	114,775	135.91	138	192.98
2000-01	149,050	82	263,825	287.89	112	480.87
2001-02	197,653	33	461,478	545.47	89	1,026.34
2002-03	255,882	29	717,360	1,022.34	87	2,048.68
2003-04	361,731	41	1,079,091	1,855.53	81	3,904.21
2004-05	539,365	49	1,618,456	2,994.25	62	6,898.46
2005-06	6,20,109	15	22,38,565	4,499.09	50	11397.55

Ref: Nabard Annual Report 2007-08

In addition on this, 1,71,669 existing SHGs in 2003-04, 2,58,092 in 2004-05 & 3,44,502 existing SHGs in 2005-06 were given repeat finance by banks.

Today's commercial banks with more than 32,000 rural branches have the largest share (50%) credit linked SHGs followed by RRBs (38%) through their 11,900 branches. More than 3,000 NGOs and other development agencies joined the programme primarily as promoters of SHGs or capacity building agencies. The central Govt's initiative to employ the concept of self help groups in their poverty alleviation programmes has gone a long way in rooting the idea in extremely backward areas.

The southern region currently constitutes about 54% of the credit linked SHGs in the country. The share of southern region has come down from 71% in March 2001 to 54% in March 2006 (Table 2)

Table : Regional spread of credit linked SHGs

Region	2000-01		2005-06	
	SHGs Credit linked to banks		SHGs Credit linked to banks percent to total	
Northern	9012	3.4	133057	5.9
North Eastern	477	0.2	62517	2.8
Eastern	22252	8.4	394351	17.6

Central	28851	10.9	267915	12.0
Western	15543	5.9	166254	7.4
Sourthen	187690	71.2	1214431	54.3
Total	263825	100.0	2238525	100

Ref: Nabard Annual Report 2007-08

Table : Agency wise KCCs Issued (lakh)

Year	Co-op Bank	RRBs	Comm. Banks	Total
1998-99	1.56	0.06	6.22	7.84
1999-00	35.95	1.73	13.66	51.34
2000-01	56.14	6.48	23.90	86.52
2001-02	54.36	8.34	30.71	93.41
2002-03	45.79	9.64	27.00	82.43
2003-04	48.78	12.75	30.94	92.47
2004-05	35.56	17.29	43.95	96.80
2005-06	25.98	12.49	41.65	80.12
2006-07	22.97	14.06	48.08	85.11
2007-08	14.01 ^a	10.29	7.21 ^b	31.51
Total	341.10	93.13	273.32	707.55
% Share	48.21	13.16	38.63	100.00

Source : NABARD and RBI,
^a : As on November 30,2007
^b : up to June 30, 2007.

Table : Progress under SHG bank Linkage

Year	New SHGs financed by banks			Bank loan ^a (Rs. crore)		
	During the year		Cumulative	During the year		Cumulative
	No.	Growth (%)	No.	Amount	Growth (%)	Amount
2002-03	255,882	29	717360	1022.34	87	2048.68
2003-04	361,731	41	1079091	1855.53	81	3904.21

2004-05	539,365	49	1618456	2994.25	62	6898.46
2005-06	620,109	15	2238565	4499.09	50	11397.55
2006-07	686,408	11	2987441	6643.19	47	18040.74
2007-08 ^b	1,26,068		3051041	2072.78		20113.52

^a : includes repeat loans to existing SHGs.

^b : As on December 31, 2007.

MEASURE OF EMPOWERMENT

Women throughout the world have been subject to gender discrimination in varying forms. In general, women have been found to have had lesser access to land, property and business. Their mobility is more restricted than men. They have limited access to labour markets and are subject to discrimination in the matter of wages and compensation for their labour. They also remain under-represented in decision-making and hold less than 10 percent of seats in parliament in most regions of the world. (King and Mason, 2001)

Women in India also face considerable gender discrimination. They are outnumbered by men, face discrimination in the matter of food consumption, are less literate than men, have little control over their own fertility, work in unpaid and undervalued sectors, suffer wage discrimination, are subject to laws that discriminate against them, face violence at home and outside and are under-represented in parliament and legislature. (Sen and Kumar, 2001). Women, especially among the poor, work longer than men in unpaid household level activity, this restricts their participation, income generation and decision making.

Caroline Moser (1993) has devalued the concept of strategic and practical gender needs. It recognizes that women have a subordinate role in society, which impedes their participation in development, on equal terms with men. Thus planning intervention can be of two types—practical gender needs and the removal of hardships that women face practically such as the provision of fuel and drinking water or sanitation. Women can readily identify these needs. These projects generally reinforce the traditional relations between men and women. Strategic needs on the other hand are usually difficult for women to identify and even when

she is made conscious of them by means of discussions in women's gatherings, as these are in the nature of a challenge to her existing unequal social situation, these needs are seen as a secondary to issue like practical survival and family needs. Hence, these needs have to be raised cautiously after first meeting the basic and immediate practical needs. Some of the strategic needs of women that need to be addressed are :

- Reduced vulnerability to violence
- More economic security
- More options and opportunities
- Shared responsibilities with men for reproductive work
- Increased ability to improve the lives of their children
- Networking with other women for solidarity
- Increased political power (ICECD, Ahmedabad, undated)

Hence programs aimed at empowering women must measure the interventions have in fact enhanced women's space in decision making, whether, it had increased their access to credit, finances, property, nutrition, education, health care and whether it has decreased violence against women and whether it has improved their status in society and participation in governance.

Indicators of Empowerment used in Empirical Studies

HOUSEHOLD LEVEL	AGGREGATE LEVEL
Domestic Decision making	Labour market
Finance, resource allocation, spending	Female labour force participation
Expenditure	Occupational Sex Segregation
Social and domestic matters (cooking)	Gender wage differentials
Child related issues (well being, schooling and health)	Child care options
Access to or control over Resources,	Labour Laws

Access to control of cash, household income Welfare receipts	Percent of women in modern work Ratio of female/male administrators and managers Ratio of Female/Make professional and technical workers Women's share of earned income
Mobility, Freedom of Movement	Social norms and practices Women's physical mobility
Economic contribution to household time use, Division of labour	Relative rates of male to female migration
Freedom from Violence, Threat	
Management/Knowledge Farm management Accounting knowledge Managerial control of loan	Education Female literacy, Female enrollment in secondary school, maternal education
Public space Political participation –public protests Political campaigning Confidence in community actions Development of social and economic collective	Ratio of seats held by women in Parliament Questions, complaints, requests from women at village council
Couple interaction Couple communication Negotiation and discussion of sex	
Appreciation in household Sense of self-worth	

Source : Malhotra A Schuler S and Boender C (2002) Measuring Women's Empowerment, unpublished background paper for Workshop on Poverty and Gender : New perspectives.

SOCIAL INPACT AND EMPOWERMENT

Women comprised a majority of the SHG members. The impact on empowerment was measured on various parameters of Self Confidence seen from self-worth and communication skills, Behavioural changes-seen from desire to protest against social evils, reponse to problem situations and family violence.

Ø Self Confidence

Members feelings of self-worth as assessed by looking at their

confidence level, treatment received from family members, attitude in helping the neighbours. While 20 percent of the pre group members displayed confidence, 88 percent of post SHG group members exuded confidence. 63 percent of the post SHG group members experienced better treatment by family members as against 11 percent in the pre SHG period. About 93 percent of members in the post SHG period expressed their inclination to helping neighbours, which was better than the pre-group situation of 70 percent.

Ø Communication skills

While 88 percent of members did not talk freely during the pre group period, 77 percent expressed that they could talk freely in the post group period. Similarly in the point regarding interaction with official from government or bank during the pre group period, about 89 percent could meet more than one official in the post group period.

72 SHGs from Orissa, Uttar Pradesh, Maharashtra and Karnakata has also registered improvement in the diet, assets and education of the members, though the benefits to the poorer members was found to be more delayed.

A study of MYRADA (2002) for NABARD indicates that there has been a positive impact of SHGs on women's empowerment. This study was conducted for MYRADA by ORG-MARG Research unit. The study looked upon women's empowerment in the context of six components :

- Influence over economics resources of the family and participation in economic decision making- the rationale being that such decision making is usually in the hands of the male members in rural households. The decisions considered were, purpose of SHGs loans, improvement in household infrastructure, major household purchases (> Rs.200) especially purchase of assets, which crop to sow and which supplier to buy from, sale or mortgage of assets in times of need.
- Influence on her own development – The decisions considered were whether she had the freedom to choose her own income generating activity and whether she could join adult learning programs or add to her educational status.
- Power over local polity- The issues looked at were, the involvement of the member in group formation, SHG meetings, involvement in political activities like elections, commercial activities like involvement with banks, promoter NGOs, meetings at panchayat level-projection of her views at these meetings, parliamentary, state and village elections.
- Influence over decisions pertaining to general welfare of family –both reproductive as well a productive roles-which doctor to consult, which shop to buy provisions from, whether or not to use birth control methods, whether to send children- especially the girl child to school, what kind of food should the child eat, whether to take the child to a health camp in the village.
- Increased interactions with other members of the community – The SHG member’s influential power is seen as the ability to influence or change a given situation through one’s actions. This determines whether the can be seen as an opinion leader in the community.
- Improvement in technical and managerial skill – skills learnt to undertake on farm or off farm income generation activities, to moderate a meetings successfully, to resolve conflicts among SHG members.

Ø **Mobility**

85.2 percent of members from old groups and 90.3 per members

from new groups reported having gone to another village 96.9 percent of old group members and 91.9 percent of new group members reported having gone to the nearest town, and 85.9 percent old group members and 85.5 percent new group members reported having gone to a city. Thus the level of mobility was quite high. But whether this was due to being in the SHG is not clear since more new group

members have been out of the village and visits to the nearest big city are more or less equal.

46.56 percent of members from old groups always sought permission when going alone to another village as compared to 60.6 percent of members of new groups. 50.5 percent of members from older groups sought permission when traveling alone to a nearby town as compared to 70.7 percent of members from new groups.

Ø Financial Position

89 percent of members from old groups reported a positive influence on their share in the family income as compared to 71 percent of members from new groups. Thus the improvement in economic status by being part of the SHG is undisputed. 74.2 percent of old group members reported an increase in the share in family income as against 50 percent of new group members. While 56 percent of old group members reported that they got to participate more in financial decisions, only 37 percent of new group members reported this. 96.8 percent of husbands of members from old groups reported to be happy that their wife was a member and 98.5 percent of husbands of members from new groups reported that they were happy that their wives were members of SHGs. The reasons given were that it would help to improve their economic status, 89.7 percent group members and 92.2 percent new group members.

Ø Confidence level

More of the members of older groups reported an increase in confidence levels in dealing with individuals and institutions than the members in new groups.

Ø Knowledge about Health and Hygiene

While 71 percent of old group members knew about washing hands before eating/cooking, 45 percent of new group members were aware of this, more old group members were aware of family planning (53.9 percent) than new group members (35.5 percent), similarly awareness about child's vaccination, using

toilets at home and adding fruits and vegetables to the diet of a pregnant women was greater among the members of older groups than among the new groups.

Ø Ownership of House and land

43.8 percent of members of older groups reported owning a housing themselves or jointly with others as compared to 37 percent of members from newer groups. Also 32 percent of members of older groups reported owning residential land and 18 percent owned farmland as compared to 17.7 percent of new group members who owned residential land and 12.9 percent who owned farmland. This points to the positive effect of being part of the SHG enhancing women's property rights.

Ø Change in role in decisions about self

65 percent of members in order groups reported that the control over their own lives had improved as compared to 48.4 percent of members of new groups.

Ø Participation in local affairs

40 percent of members from old groups participate regularly in the Gram Sabha as compared to 17.7 percent of members from newer groups. A larger percent of the old group members also voted in Gram Panchayat, state and national elections than members from newer groups.

Ø Decisions affecting the family

While 34.4 percent of members from old groups decided by themselves regarding the use of birth control, as against 30.6 members from new groups, 32.8 percent of the members from old groups decided together with their husbands, as against 41.9 percent members from new groups. Similarly regarding schooling of the girl child, 31.3 percent of members from the old groups decided on their own as compared to 16.1 percent of members from new groups, joint decision with husband was 32.8 percent and 33.9 percent respectively.

The study thus concludes that on parameter after parameter, members of the old groups emerge as more confident, financially more secure, more in control of their lives... hence we can conclude... that the process of empowerment seems to have started in the old groups. However in the areas of participation in local polity, the SHGs do not seem to have made much of a dent. A large percent of the members still do not read a paper. The habit of saving with a bank also did not seem to have taken root with the members.

The Maharashtra Rural Credit Project (IFAD, 2003) was implemented in twelve districts of Maharashtra from 1994 to 2002, with the objective of rural poverty allocation and therefore to improve rural financial services to the poor. (9000 SHGs were set up under the project, 5255 of which were by the state women development corporation- MAVIM. Women formed 24 percent of the individual borrowers under the project and formed 90 percent of the SHG borrowers. The conclusions drawn by the Projection completion report are that the project gave women a voice and space in their communities and households. Women's empowerment has triggered a reasonable amount of progress. The women perceived a huge difference in their lives, their self-confidence, greienceship, mutual help, recognition are in some ways more important than just income increases. There has been no backlash from male family members, even when women became vociferous about their demands (such as agitation against use of alcohol by men) because the whole family has benefited as women gained financial independence. However traditional roles within the households still predominated, with women continuing the burden of unpaid household work and care of children in addition to taking care of their enterprises. These ranged from farming activities to making leaf plates, pen refill making leather bags, ready-made garments, painting, etc. While husbands did not help with the housework, there were examples of husbands helping in the income generating activities of their wives. While women now had access to credit of their own, the average loan size was low at Rs.1,613. Over 600 of the women participated successfully in the Gram Panchayat elections.

While the projects report an improvement in women's empowerment, a more critical review of the loans taken by the women needs to be done in order to access the number of loans used also by family member-i.e. whether loans have been actually utilized by men while the loans were actually taken in women's names. The extent of control over loans by the women also needs to be examined.

Table : Empowerment levels

At family level :	
Before joining SHG	After joining SHG
<p>1. Husband did not permit them to go out alone, quarrel about meetings.</p> <p>2. Did all housework, serving food to husband, feeding children, and washing cloths.</p> <p>3. Were like slaves to husband.</p> <p>4. In-laws ill treated them.</p>	<p>Now they are able to go where they want and get permission easily.</p> <p>Husband took their own meals, sometimes fed the children, or completed cooking. At least wash their own cloths.</p> <p>Do not depend on husband for money. They consult husband.</p> <p>In-laws speak nicely, share the work when they have to attend meetings.</p>
At Community level :	
<p>1. As women no respect in society.</p> <p>2. Could not talk as equals to men.</p> <p>3. Had a fear of society.</p> <p>4. Lot of opposition in village to their forming SHG.</p>	<p>Now their opinions are valued on common issues.</p> <p>Now invented to Gram Sabha, given respect.</p> <p>Have taken up issues of violence against women, got culprits remanded. Men in the community are afraid of them.</p> <p>Now seen as getting things done from Govt. and non govt. sources.</p>
At the level of govt. functionaries :	
<p>1. Very scared of going to govt. officers. Only men did. Women did not know what they did when they</p>	<p>Now they go to govt. offices. They know where to go, for what work.</p>

<p>went.</p> <p>2. They would go to govt. offices and wait to be called. Often they were asked to come another day.</p>	<p>Now they meet important officials like BDO, Collector. Their work is done quickly.</p> <p>Now they understand banking procedures Govt. officials contact them to implement schemes in health, education, etc.</p>
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Conclusions

The evidence of women's empowerment through Self-Help Groups provides a varied picture. The women in empowerment and in a better position to negotiate the use of the loans taken by them, take up gainful activity and participate in the marketing of their products. However there is a need for a more in-depth analysis of the SHGs in India in order to ascertain whether the increase in women's access to credit has had similar negative impacts in increasing their susceptibility to violence within the family. In-depth gender studies need to be conducted in order to ascertain whether there is an undercurrent of resentment among men as a result of the great importance being given to women in the formation of SHGs and their better access to credit.

The overall multi-facted development for women by SEWA can be contrasted with the now harsh reports reemerging about the Grameen Bank, especially in its recovery style. The difference seems to be that SEWA is an organization run by women, for women, while the Grameen Bank seems to have emerged as an organization run by men through loans in women's names. Since men are the real beneficiaries, using most of the loans in the Grameen transactions, it is not unsurprising that empowerment of women, their mobility and emergence in the market place as in transacting their own business is not as prominent. Rather women, who have bettered themselves a little, prefer to withdraw to the shell of home based activity, leaving the 'outside' world to be transacted by men, without violating the traditionally held norms of women being part of the private space within the household, rather than part of the public space outside it. Kabeer's study

is significant in her conclusion that it is mainly women who are estranged from their husbands, who seek to carve out assets in their own name with the loans they have taken, thus effecting a divorce within the marriage, while other women having more empathy with their husbands, prefer to buy an uneasy peace by letting the men use the loans in their names. This has albeit enhanced their own bargaining position within the household and led to a sort of empowerment, in that their household status was not as tenuous as prior to the loan taking. The definitions of empowerment thus vary within different social context and stages of development, hence any analysis of the effect on empowerment of women cannot be comparative but has to look at the effect it has on them in their own context and milieu.

The importance of the process of Group formation and the development of Groups ethos in building sustainable Self-Help Groups clearly seem to emerge as a necessary factor for the success of Self-Help Groups. However it is not only the provision of credit which leads to the empowerment of the members of the groups, but the sustained inputs in conscientisation of the women and raising their level of awareness by means of sustained capacity building. The solidarity and strength obtained from being together with other women placed in similar circumstances is a powerful factor in empowering the women and building their sense of self worth and self-confidence. The SHGs act as a support group developing courage and offering mutual solace and comfort to the members. It is when training in accounts and managerial inputs are given, that the availability of Credit leads to the setting up of successful ventures. This success in turn leads to a growth of their confidence and improves their status at home and in the community.

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