

## EMPOWERMENT OF RURAL WOMEN THROUGH SHGS: A STUDY IN TELANGANA

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### Abstract

*The self-help group (SHG) is a powerful instrument to empower economically backward women of rural India as the women members under the SHG not only can earn income but they feel empowered also. With the launching of Swarnajaynti Gram Swarozgar Yojana (SGSY) by the Ministry of Rural Development, Government of India from April 1999, subsequently rechristened as Deen Dayal Antyodaya Yojana–National Rural Livelihood Mission (DAY-NRLM) self-help group approach (SHG) has been given utmost importance in India for the development of rural women mainly focusing on below poverty line households. SHG concept is popular in many rural areas of India as through economic development and subsequently empowering, rural women have got a solid platform. This research article has discussed the how rural women after forming SHGs in Ranga Reddy district (R.R. District) of Telangana were not only earning and contributing to the family but felt empowered also. The study was carried out at Gandipet village of Gandipet Mandal, Ranga Reddy (R.R.) district in September 2017. The some women members of 10 different SHGs were contacted and few individual cases are presented here.*

**Keywords:** *Empowerment, Earning, Rural women, SHG and Ranga Reddy district.*



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### Introduction:

In a democratic country like India, poverty is not desirable as it is linked with calorie concept, which means people are not getting proper food for nourishment. To deal with the issue of rural poverty, time-to-time efforts were made by the Government of India. Before 1999, poverty alleviation approach in rural India by the Government was mainly family oriented. With the launching of Swarnajaynti Gram Swarozgar Yojana (SGSY) by the Ministry of Rural Development, Government of India from April 1999, subsequently rechristened as Deendayal Antyodaya Yojana–National Rural Livelihood Mission (DAY-NRLM) self-help group approach (SHG) has been given top priority in India for the development of rural women mainly focusing on below poverty line households (Chatterjee, 2015). In this research article, economic development and empowerment of rural women (mostly who belonged to economically poor echelons of the society) through SHGs in Ranga Reddy district of Telangana state is discussed.

The SHG movement in Telangana started in 1998 when it was part of undivided Andhra Pradesh. The foremost principles of the SHG were thrift, self-help and internal lending. The credit worthiness of these groups, which are otherwise unbanked, having no collaterals, have been built on their group discipline, repayment culture and accumulated corpus funds and subsequently this resulted in SHG- Bank linkage programme, under which, SHGs are provided with credit as per Micro Credit Plan (MCP). In simple language MCP means credit is given to the individual member based on her activity not equal amount is given to all. In addition to MCP, another innovation for SHG related credit activity is *Stree Nidhi*. Few lines about *Stree Nidhi* are mentioned here.

**About *Stree Nidhi*:**

This information has been collected from the website *streenidhi.telangana.gov.in*. *Stree Nidhi* Credit Cooperative Federation Limited has been established for its low cost credit delivery model and unique features. Through its focus on the poorest of the poor it is able to ensure credit flow to the most neglected sections of the society for alleviation of poverty. Adopting technology and proper systems, under *Stree Nidhi* it is able to deliver credit within 48 hours from the time of loan is requested for. Because for the poor getting timely loan is sine qua non. It may be noted here that *Stree Nidhi* has been appreciated by NITI Aayog and is recognized by *DAY-NRLM* as a National Support Organization to guide other states in establishment of institutions on the lines of *Stree Nidhi*. Further, *Stree Nidhi* Credit Cooperative Federation Limited has been promoted by the Government and the *Mandal Samkshyas* (*Mandal* means cluster of villages but less than block) to supplement credit flow from banking sector and is a flagship programme of the Government.

As per Annual Report (2015-16) of Rural Development, Government of Telangana, “Self Help Group- Bank linkage programme in the country which is the largest micro finance programme in the world, has an outreach of 10.1 crore households organized into 79 lakh SHGs. The increase in loan disbursement by banks to SHGs, during the year 2015-16 was 35% taking it to Rs.37,287 crore as compared to Rs.27,582 crore during the previous year. The average loan disbursement per group during 2015-16 was Rs 2.03 lakh which showed a healthy increase of 20% from Rs 1.69 lakh during 2014-15. The Gross NPAs as on 31 March 2016 were Rs. 3686.2 crore, which witnessed a decline from Rs. 3814.7 crore a year back. The gross NPAs in bank loans to SHGs declined from 7.4% in 2014-15 to 6.4% in 2015-16. In the State of Telangana, there are about 5 lakh SHGs both in rural and urban area, covering about 60 lakh poor women. The credit flow from banks to these SHGs was about Rs

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7000 Crore in 2015-16 while loan outstanding was about Rs. 9000 crore. It is estimated that credit demand from these members would be about Rs. 30000 crore leaving a huge gap to be met. Despite spectacular progress under SHG Bank linkage Programme, a large section of the poor population (BPL) still remain excluded and those who are covered are not able to get adequate credit to take up sustainable livelihoods and this is the biggest challenge making it imperative for micro finance institutions to play a role particularly those who purvey credit and other financial services cost effectively”.

The *Mandal* wise data of SHGs in *Ranga Reddy* district as on 16th September 2017 may be seen from the table -1.

**Table 1: Mandal Wise Data of SHGs in R.R. District as on 16<sup>th</sup> September 2017**

MANDAL_DESCRIPTION	Total Number of Village Organizations (VOs)	Total Number of SHGs	Total Number of Members
Abdullapurmet	57	1602	15919
Amangal	30	761	8624
Chevella	54	1117	11526
Choudergudem	22	439	5120
Farooqnagar	41	926	10146
Gandipet	27	853	7861
Hayathnagar	0	0	0
Ibrahimpattanam,	46	1139	11838
Kadthal	21	547	6462
Kandukur	52	1212	13221
Keshampet	37	837	9669
Kondurg	22	471	5616
Kothur	20	499	5438
Madgul	35	894	10062
Maheswaram	57	1341	14374
Manchal	48	1125	11523
Moinabad	42	1167	11206
Nandigama	25	502	5836
Shabad	41	1019	10531
Shamshabad	53	1467	14022
Shankarpalle	52	1277	12286
Talakondapalle	32	787	9423
Yacharam	42	1101	12169
<b>TOTAL</b>	<b>856</b>	<b>21083</b>	<b>222872</b>

Source: DRDA, *Ranga Reddy* District, Telangana

It is pertinent to mention that Village Organizations (VOs) mean federation (group) of SHGs. Although the table is self-explanatory but important point to be noted here is that total number of VOs at *Gandipet Mandal* was 27 with 853 SHGs and 7861 members indicating average size of member in each SHG was 9.2 and overall in the district the same was 10.5 as total number of SHGs in the district was 21083, 856 VOs and 222872 members.

For the rural women who are not highly educated meaning not having college and university degree, self-employment is one of the good alternatives. Prof. Muhammad Yunus, the Nobel laureate, in his book *Banker to the Poor* has highlighted some advantages of self-employment over wage employment.

1. The hours are flexible and can adapt to fit any family situation. It allows people to choose between running a business full-time or part-time when they need to meet crises, or to put their business on hold and work full-time for a salary.
2. Self-employment is tailor-made for anyone who is street-smart and has many acquired from books and technical schools. This means the illiterate and the poor can exploit their strengths, rather than be held back by their weaknesses
3. It allows a person to turn hobbies they enjoy into gainful employment.
4. It allows individuals who cannot work well in a rigid hierarchy to run their own show.
5. It offers a way out of welfare dependency, not just to become wage slaves, but to open a store or start a manufacturing business.
6. It can help those who have found a job and are still nonetheless poor.
7. It gives those who have just been fired from a job moral support to start a business before they become depressed and isolated.
8. It gives the victims of prejudice who would not be hired because of their colour or national origin a chance to earn a living.
9. The average cost of creating a self-employment job is ten, twenty or hundred times cheaper than creating an employment job.
10. It helps isolated poor person gain self-confidence, step by step.

### **Field Study and Findings:**

To get an idea about the earning and empowerment of women, a study was carried out at *Gandipet village of Gandipet mandal, Ranga Reddy (R.R.) district* in September 2017. The women members of 10 SHGs viz. *Yasin SHG, Tawakkal SHG, Aishwarya SHG, Avantika SHG, Raghavendra SHG, Venkateswara SHG, Noor SHG, Saibaba SHG, Manikanta SHG and Balaji SHG* were contacted in the first part of September 2017 and relevant data were collected from them. So the study is based on primary study that too based on field. Further DRDA, *Ranga Reddy* district provided secondary data pertaining to the total SHGs etc. as mentioned already. Thus, both primary and secondary data were collected for this study. The author expresses his gratitude to *Shri D Prasharath Kumar*,

Project Director, DRDA, Ranga Reddy district and Shri Hameed, Jobs District Manager of DRDA for their cooperation in carrying out the study.

**Study Findings:** The cases based on four SHGs are presented here.

**1) Yasin SHG:**

**Case – 1:** Ms *Shahnaw Begum* (38 years of age) studied up to 7<sup>th</sup> class was managing her family with husband in tailoring activity, mainly they were making leather seat cover for scooter, car etc. She was member of *Yasin* SHG which was formed in 2011 with 10 women members all belonged to minority community (Muslim). She borrowed three times from SHG. Initially loan amount was Rs.5,000, after repayment she borrowed a sum of Rs.15,000 and finally her loan amount was to the tune of Rs.30,000 which she used for their business activity and also for their only daughter's education who was pursuing her intermediate study. She informed that her husband without consulting her never took any major decision.

The family was provided with a house under *Indira Awaas Yojana* (IAY, free house to rural poor, now IAY is known as Prime Minister *Awaas Yojana/PMAY*), so they had their own *pucca* house. To a query about the family income, she informed that it hovered around Rs.25,000 per month.

**2) Tawakkal SHG:**

**Case – 2:** This case is from *Tawakkal SHG* which was formed in 2011 with 10 members of which nine were Muslims and one was Hindu, a unique SHG as without any issue all were working in the same spirit. Ms. *Henna Fatima* (28 years) completed her first year of intermediate but could not complete the intermediate course. Her husband was working as auto van driver having his own auto-van. They have two children and both were going to school when study was conducted in September 2017. She borrowed three times – Rs.5,000, Rs.15,000 and Rs.30,000 and also involved in cotton bag making which in the village was carried out by a dynamic woman Ms. *Ambica*, a *Telugu* lady pursuing her Ph. D in Hindi literature. Ms. *Ambica* was also one of the members of *Jai Ambe Bhavani SHG*, in spite of this, she because of her education and dynamism involved in community work and popular woman in the area.

She had broad vision and in order to discard use of plastic bag, she was making cotton bags of different size with SHGs members' and popularizing in the locality and its vicinity. Ms. *Henna Fatima* informed that Ms. *Ambica* time to time gave works for making cotton bags and individually she (Ms. Fatima) was earning around Rs.4,000 per month.

**Case – 3:** Another case from *Tawakkal* SHG pertains to Ms. *Reshma Fatima* (27 years) who could study up to 5<sup>th</sup> class. Husband had his own auto which she helped to get partially as she took loan of Rs.5,000 from the SHG and subsequently Rs.15,000 and Rs.30,000. She was also making cotton bag under the guidance of Ms. *Ambika* and earning on an average of Rs.3,500 per month in addition to her husband's earning of Rs.10,000 per month. The above cases may be termed as Impact or Ex-post Evaluation study and in this context by referring UNO's book on M&E it may be mentioned that Ex-post Evaluation is undertaken after full project development *i.e.* some years after project completion.

### 3) *Aishwarya* SHG

**Case – 4:** *Aishwarya* SHG which was started in early 2017 also depicts an interesting case as out of 10 women members six hailed from Bihar and Uttar Pradesh as their husband came to Hyderabad as laborer and rests four were local Telugu women. Since, the SHG just started functioning before the study was carried out so the SHG was not registered with the local office.

However, four cases who all were from Bihar and also member of *Aishwarya* SHG are presented here:

**Case A)** *Lalita* Devi (35 years) could study up to 4<sup>th</sup> class came along with husband to have better life as in their village in Bihar income was not descend. Her husband was working in a private establishment in Hyderabad near to the village. Out of three children, two were going to college and one was in school. Her husband was earning around Rs.10,000 per month and she could earn on an average of Rs. 4,000 per month by making cotton bag under the leadership of Ms. *Ambika of Jai Ambe Bhavani SHG*.

**Case B)** Ms. *Kajal Jha* (26 years, originally from Bihar) had school level education and by staying in *Gandipet* village in a rented accommodation was earning by making cotton bags under the leadership of Ms. *Ambika*. Her husband as plumber was earning in between Rs.10,000 and Rs.12,000 per month and she by making cotton bags was fetching an additional income of Rs.4,000 per month. They with their two school going children were quite happy as in Bihar such scope was limited, as revealed by her.

**Case C)** Ms. *Bhavani* Devi (39 years, 7<sup>th</sup> class) also was from Bihar and by making cotton bag was earning around Rs.4,000 per month and husband was a worker in a steel factory.

**Case D)** Ms. *Ishrawati* (40 years only can sign) was from Uttar Pradesh with five children came to Hyderabad along with husband for better livelihood. Out of five children, two were married and one unmarried daughter around 17 years was at home and two other children

were going to school. Husband as painter by working in construction company could able to earn around Rs.11,000 in a month. She under the leadership *Ms. Ambika* was earning around Rs.4,000 per month by making cotton bag. Thus they could lead a better life in Telangana than eastern part of UP as they were the native of eastern UP.

During the course of study it was noted that no members of *Aishwarya* SHG were given bank loan or SHG loan as SHG was in nascent stage. However, the study in R.R. district reveals that SHG movement is very strong so the women members hailing from Bihar and Uttar Pradesh happily participated to earn income by joining in the SHG.

#### **4) Saibaba SHG :**

The SHG was in operation from 2007 with 10 women – two Muslim and eight Hindu. During that time *Swarnajayanti Gram Swarajgar Yojana* (SGSY, launched in 1999) was in operation so they had the opportunity to get SGSY loan – Rs.50,000 in first installment, Rs.1.50 lakh in the second time and Rs.2 lakh in the third time. It is pertinent to mention that SGSY was a massive self-employment programme for taking up micro enterprises with SHG approach. All the members in unison informed that they were carrying out their activities happily with individual project but loan and other issues were available through SHG.

While interviewed, *Ms. Arundhati* (49 years/ 8<sup>th</sup> pass) informed that by joining SHG she was greatly benefitted as all her four children, three sons could do study in ITI (1), Engineering (1) and Degree (1) and only daughter completed B. Tech. Since husband had serious health problem so she was the only earning member by managing one grocery shop. In addition to she was making paper bag under the leadership of *Ms. Ambika*. Her total income was around Rs.15,000 per month. Most notable point is that she was the main decision maker of the family which indicates women are not helpless and hapless, if need arises they can manage any eventuality.

**Conclusion:** This interesting study, based on few SHG members of four SHGs, portrays that considering backward and forward linkages, SHGs were involved in different activities like cotton bag making, leather cover making, tertiary sector activities *etc.* as Hyderabad city is nearby. Further, the study reveals that earning of women members was used in the welfare of the family and thus women members were feeling empowered also and they had say in family matters which earlier they did not have.

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