

The Importance of Women's Self-Help Groups in Promoting Financial Inclusion in Bihar



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ABSTRACT: Women's socioeconomic independence was significantly impacted by their involvement in self-help groups (SHGs). By "women's emancipation," we imply a procedure wherein women actively question traditional conventions in order to successfully advance their well-being. In Bihar state, this research attempted to tackle the issue of women's emancipation via self-help groups. Over 1 million Didis (recipients) are continually working to improve their lives by engaging with SHGs since SHGs nowadays are supporting women's capability in developing financial inclusivity, constructing community institutions, and associating with connected activities. Financing must be accessible to those required in India in order to break the pattern of deprivation and enable women to make significant contributions to the nation's inclusive progress. India's current rural credit structure doesn't meet the needs of the poorest people who want to move forward.

KEYWORDS: Jeevika, Self-Help Group, Financial Inclusion, Women's Empowerment

INTRODUCTION

A Self-Help Group is a tiny, economically uniform lineage community, and within this community, the rural deprived voluntarily come forward to keep a modest sum of cash frequently. This cash is placed in a pool of funds for beneficiary immediate situations, and the community also decides whether or not to offer collateral-free loans. Furthermore, in the rural parts of the regions, the Self-Help Group is working on problems related to the reduction of deprivation and the emancipation of the poor, as well as healthcare, malnutrition, and other assistance, with a particular focus on women. The importance of women's emancipation in connection to inclusive growth has been a primary focus of this research. The growth of any nation's economy is essential to the country's inclusive growth. According to the United Nations (UN), elevating the position of women is not only helpful to the individual women who experience it, but it is also advantageous to the overall social and economic growth of society. If India's enormous population of women are able to make a positive contribution to the country's growth, they will feel more powerful and their lives will become more streamlined.

The Beginning of the Self-Help Group Movement

SHGs may trace their roots back to the Grameen Bank of Bangladesh, which was established by Mohammad Yunis in 1976. The conceptualization of India has also helped to mature the role that SHGs play in society. This is where the idea of aid clusters first emerged. In the 90s, the Self-Help Group (SHG) programme was established as a result of regulations issued by the Reserve Bank of India that encouraged financial institutions to lend to unofficial SHG groups. Additionally, the programme was heavily encouraged by the banking institution for Agriculture and Rural Development (NABARD). NABARD began an initiative to link assistance organisations with financial institutions, and as a result, a concentrated effort has been made since 1991 to connect 500 SHGs with financial institutions. The agrarian banks, co-operatives, and civil society organisations in India are now the ones responsible for spreading the word about the assistance teams. The primary objective of the study is to foster a fresh perspective on the view that women in the region of Bihar have about their own level of independence and the part that self-help organisations play in the community. People think of SHGs as a type of rural banking. They usually have between 10 and 20 members, most of whom are women.

Bihar's Own Help Group (Self-Help Group) Bihar has evolved into the first state to have 10 lakh women-led self-help groups. Authorities have stated that all these SHGs, which are part of the Jeevika programme, have assisted over 45 lakh families during the COVID-19 pandemic. Bihar has also become the first state to have 10 lakh women-led self-help groups. The elimination of

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deprivation is the primary objective of this initiative, and in this respect, an alleviating deprivation programme backed by the World Bank has been running in the province since 2007 to empower women and teach them how to become financially independent. According to data provided by the Centre for Monitoring Indian Economy, the jobless rate in Bihar is 16.0% as of December 2021. The Jeevika model has significantly contributed to the objective of ensuring or promoting the economic incorporation and emancipation of women. In the course of the COVID-19 pandemic, it is no wonder that the employees at Jeevika were of great assistance. Furthermore, the female employees of Jeevika worked as bank employees, ensuring that over Rs. 543 crore in transactions were completed using POS devices to bring financial services to the doorsteps of those who needed them in the most remote areas of the region. In the same amount of time, it was able to reach nearly 1.09 crore families in order to raise awareness and provide assistance for rescue efforts, work on rural livelihoods, work on cleanliness, and other related activities. For the purpose of fostering sustainable livelihoods and expanding access to monetary resources for women-led organisations and businesses. A new chapter in the story of women's emancipation has been written by the approximately 1.20 million women who have joined the nation's 10 lakh self-help groups (SHGs), and this new chapter is plainly evident in remote regions. In addition to ensuring that stronger females have access to financial opportunities, the state has also been utilising the skills of these females in a variety of social activities and projects that have been carried out by the educational, healthcare, and welfare ministries.

A LITERATURE REVIEW

Women's Empowerment

Undoubtedly, one of the most important focuses of the United Nations' Millennium Development Goals is to ensure that women are given equal rights and opportunities. Among the most important objectives is to improve the position of women and make it easier for them to participate in the overall process of social advancement (Varghese, 2011). SHGs have also significantly energised female members and been attributed to enlarged personality and optimistic behavioural transformation in the post-SHG time frame as in comparison to the pre-SHG timespan (Sushil Kumar Mehta et al., 2011). According to Rama Krishna and Krishna Murthy (2003), the inclusivity position of women as attendees, policymakers, and recipients in the progressive, financial, sociocultural, and historical aspects of life has improved as a result of SHGs. SHGs have also helped (Palanichamy, 2011). There seems to be proof that certain people are able to become more self-sufficient as a result of their involvement in the project at a personal level (Sundaram, 2012). The growth and advancement in all aspects of life, especially in remote regions, The provision of chances for self-employment as a means of coping with the current economic predicament is one of the key ways in which self-help groups contribute to the enhancement of individuals' sense of self-worth and ability for personal growth. Additionally, it enhances the ability for judgement in a variety of societal, diplomatic, financial, medical, and academic matters, and it mobilises women to fight against a variety of forms of oppression against them within the context of their society and community as a whole (Heena and Tabasum, 2013).

Social Empowerment

All of the studies conducted by Jaya S. Anand (2004), NCAER (2008), and Sarumathi and Mohan (2011) found that the interference of SHGs enhanced living conditions, engrained benefit and debt repayment practises, and decided to bring about an optimistic shift in mindset and interpersonal skills, all of which led to increased levels of emancipation for the members of the SHGs. There has been a drop in severe undernourishment as well as in newborn and newborn fatalities and early adult fatalities. The number of students who enrol in schools and the consistency with which they participate have both increased. Additionally, when SHGs solve problems such as the establishment of Amravati (baby care centre), it has produced a good influence on the schooling of female children (Joy Deshmukh-Ranadive 2004). The most remarkable change was the rise in people's levels of self-assurance and their willingness to freely address problems and express themselves (Darshana, 2008). The practise of empowering is characterised by a growth in both personality and the ability to make decisions within the context of the household (Sundaram, 2012), as well as an improvement in one's ability to communicate (Kondal, 2014). There has been a rise in the number of instances in which women make their own judgments about their expenditure and savings of cash (Suchetha Shukla, 2004; Selvaraj, 2005). In particular, the agricultural section, various family events, and other family events (Kondal, 2014).

Social Service Activity Participation

A remarkable majority of females (86%) revealed voting in the most recent poll, and 74% reported being pressured by their spouses or forced to vote for a particular applicant at the Gram Panchayat stage. SHG involvement has enhanced daycare and emergency contraception use amongst participants (Hadi, 2001 and 2002). (Mark et al., 2003). SHGs improved access to administrative authorities, involvement in development projects, and knowledge of land ownership (Rama Krishna and Krishna Murthy, 2003). Research published in Bangladesh and India has demonstrated the benefits of SHGs in decreasing marginalisation

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(Mohindra et al., 2008). In the 20 years following 1970, a plan that educated women self-help group representatives as healthcare personnel, started education programs, and offered money for domestic medical crises resulted in a decrease in child deaths from 176 to 19 per 1000; a decrease in fertility rate from 40 to 20 per 1000; pretty unanimous connectivity to prenatal care, smooth delivery, and immunization; and a decrease in percentages of undernutrition from 40 percent to less than 5 percent. (Rosato et al., 2008).

Economic and Social Empowerment

According to Rama Krishna and Krishna Murthy (2003), SHGs have a favourable effect on social and financial liberation and contribute to the transformation of regional livelihoods by boosting the financial standing of every single SHG personnel in remote regions, in addition to offering opportunities for female equality. Accordingly, SHGs have an important part in women's rights, microcredit via bank links in cooperation with nongovernmental organizations, and contributing to regional livelihoods (Arunkumar, 2005). Furthermore, unlike in other countries such as Africa and Southeast Asia, rural women's financial, diplomatic, and health situations improve significantly after joining SHGs in India, specifically in the state of South India (Anuppalle and Reddy, 2008).

Microcredit's Health and Finance

Anuppalle and Reddy (2008) found that, in contrast to other regions like Africa and Indonesia, India, specifically Bihar, showed a greater increase in the wellbeing of village women after connecting with SHGs. Recent findings from throughout the world suggest that microcredit programmes have improved cleanliness, nutrition, and wellness in addition to cash gains (Ahnquist et al., 2012 and Subramanyam et al., 2011). Women have recently benefited significantly from participating SHGs since they may now take out loans from the community to pay for their wellness expenses (Saha et al., 2013).

Benefits from Income Generating Activities

Joy Deshmukh-Ranadive (2004) and Bharatamma et al. (2006) both note that SHG has enhanced prospects for generating income (2006). Women have profited greater from the linking scheme in terms of career chances than male members have, going from 314 people per week in a pre-SHG context to 400 people per week in a post-SHG scenario (NCAER, 2008; Nalini et al., 2013). Indian participants who have been active in SHGs for a prolonged period tend to rely less on farming as a primary source of earnings and more on sources like cattle revenue. Positive effects of NGO education on property building (Swain and Adel Varghese, 2009). Boosting home entrepreneurship, raising non-farm job options for the deprived, empowering women, and strengthening community exposure to certain other business services are all important goals (Swamy V and Tulasimala BK 2013).

Rural Households' Dietary Pattern and Nutritional Status

Families' enhanced food security as a consequence of collective engagement Joy (2004) The Deshmukh-Ranadive SHGs aided in enhancing the nutritional intake and food intake of the underprivileged. Beneficial effects on dietary consumption in programme regions; overall variability of effects across users of current and freshly established units; in addition to quasi-participant (Deininger and Liu, 2009) the average cost of food for each household has climbed from Rs. 4849 before self-help groups to Rs. 8216 after self-help group effects, marking an uplift of 69.41%. 2013 (Swamy and Tulasimala).The overwhelming majority of Muslim and Hindu women (84.4% and 89.0%, respectively) took an active part in dietary decision-making (Jeejebhoy et al., 2001).

OBJECTIVES OF THE STUDY

To investigate the function of self-help groups in improving rural women's access to financial services

- To study the income and benefits provided by the Jeevika programme
- To investigate the effectiveness of self-help groups as a method for empowering women in Bihar and creating jobs.
- To increase rural women's understanding of financial stability and empowerment

The growth of rural communities via self-help groups and the government of India's Aajeevika Mission programme is another topic covered in the current research. In the current study, the researchers will examine how Self-Help Groups affect women's access to financial services and independence. To do this, the researcher will look at books, magazines, and other written materials that tell the stories of successful women.

METHODOLOGY

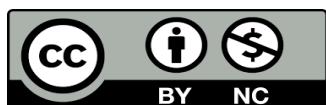
The major focus of the study is on secondary sources of data. The effect and progression of self-help groups in Bihar is the primary focus of this research. Data from secondary sources, including financial reports, statistical supplements, and operational statistics of Bihar State, as well as the government website, has been gathered. Documents that have been released include those published by the government as well as other writings such as research papers published in journals that are accessible.

CONCLUSION

According to the data, self-help groups have had a stronger influence on the recipients' social and financial facets. Approximately 24 lakh households that depend on non-agricultural activities for their livelihoods are now economically independent. With the Jeevika programme as a guide, Bihar can go a long way toward achieving full self-sufficiency—something that India longs for and which Bihar has shown is feasible. Without a doubt, this was a really wise move. All that is required is the integration of self-help group operations and the provision of additional chances for growth and quality-of-life improvement, which also serve as sources of jobs in rural regions. The state economy would benefit even more from it, and the populace would become more efficient.

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