



SRUJANI: Indian Journal of Innovative Research and Development (SIJIRD)
Volume-5 Issue 1, March-April 2026, Pp. 150-156
Bi-Monthly, Peer-Reviewed, Open Access, Indexed Journal

ISSN: 2583-3510

S I R D F
J O U R N A L S
editor@srujani.in
www.srujani.in

Women's Empowerment through Self-Help Groups

Dr. Jahida Makandar

Associate Professor, Department of Sociology, Government First Grade College,
Managuli, Vijayapur

Abstract:

Women's empowerment is an essential component of social justice, inclusive development and gender equality. In India, Self-Help Groups have emerged as important community-based institutions for promoting women's economic independence, social participation, financial inclusion and collective leadership. These groups generally consist of women who come together to save small amounts of money, access credit, undertake income-generating activities and address common social and economic concerns. Beyond financial assistance, SHGs can create opportunities for women to develop confidence, leadership skills, social awareness and decision-making abilities. The present research paper examines the role of Self-Help Groups in promoting women's empowerment in India from a sociological perspective. It analyses the economic, social, educational, psychological and political dimensions of empowerment and discusses the relationship between collective participation and changes in women's status within families and communities. The study also examines the contribution of government programmes, particularly the Deendayal Antyodaya Yojana–National Rural Livelihoods Mission, and identifies challenges such as inadequate training, market limitations, financial difficulties and persistent patriarchal attitudes.

Keywords: *Women's empowerment, Self-Help Groups, gender equality, microfinance, social change, rural development, collective action, India.*

Introduction

Women constitute an important part of India's social, economic and cultural structure. They contribute to agriculture, industry, education, healthcare, household management, entrepreneurship and

community development. Despite their substantial contributions, women in many communities continue to experience gender discrimination, economic dependence, unequal access to resources

Please cite this article as: Jahida Makandar. (2026). Women's Empowerment through Self-Help Groups. *SRUJANI: Indian Journal of Innovative Research and Development*, 5(1), 150–156

and limited participation in decision-making.

Self-Help Groups have become an important approach to addressing these challenges. An SHG is generally a small, voluntary association of people who share common interests and work together to improve their economic and social conditions. In India, women's SHGs commonly organise regular savings, internal lending, repayment practices and collective decision-making. Many groups also participate in entrepreneurship, skill development, health awareness, local governance and community welfare activities. The importance of SHGs extends beyond access to credit. Regular meetings provide women with opportunities to communicate, share experiences, discuss common problems and develop organisational abilities. Collective participation can increase their confidence to interact with banks, government officials, local institutions and community leaders. Therefore, the present study explores SHGs as instruments of economic improvement, social participation and transformation of gender relations in Indian society.

Objectives of the Study

1. To examine the role of Self-Help Groups in promoting women's empowerment in India.
2. To analyse the economic benefits of SHG membership for women.
3. To understand the influence of SHGs on women's social status and decision-making power.

4. To examine the contribution of SHGs to education, skill development and entrepreneurship.
5. To analyse the role of collective participation in developing leadership and community awareness.
6. To identify the major challenges faced by women participating in SHGs.
7. To examine the contribution of government programmes and financial institutions to SHG development.
8. To suggest measures for strengthening SHGs as instruments of gender equality and social transformation.

Research Methodology

The study adopts a descriptive and analytical research design based on secondary data. Information has been drawn from published academic studies, government reports, programme documents and publications relating to women's empowerment and rural development.

Understanding of Women's Empowerment

From a sociological perspective, empowerment involves both individual development and collective transformation. Individual empowerment includes greater confidence, knowledge and decision-making ability. Collective empowerment involves women working together to negotiate with institutions, address shared problems and challenge

discriminatory practices. Self-Help Groups can contribute to both dimensions by creating opportunities for women to develop financial capabilities, social relationships and collective agency.

Role of Self-Help Groups in Women's Economic Empowerment

Self-Help Groups (SHGs) play a significant role in promoting women's economic empowerment by encouraging savings, facilitating access to credit, supporting entrepreneurship, improving household welfare, and strengthening financial inclusion. These groups provide women with opportunities to work collectively, develop financial skills, and improve their economic independence.

Promotion of Savings: Self-Help Groups encourage women to develop regular saving habits by contributing small amounts of money at periodic intervals. These collective savings help members build financial security and provide a resource for meeting emergency expenses and future needs. Regular savings also promote financial discipline and responsible money management among women.

Access to Credit: SHGs facilitate access to credit by providing members with opportunities to obtain loans from the group's collective savings and linked banking institutions. These loans can help women meet household expenses, finance children's education, manage emergencies, and invest in income-generating activities. Access to credit

through SHGs can reduce dependence on informal moneylenders and strengthen women's ability to make independent financial decisions.

Development of Entrepreneurship: Self-Help Groups encourage women to establish small businesses and undertake income-generating activities such as tailoring, food processing, handicrafts, dairy farming, agriculture, and other locally appropriate enterprises. Through training, access to credit, collective planning, and business guidance, women can develop entrepreneurial skills and improve their earning potential. Such activities can create employment opportunities and contribute to local economic development.

Improvement in Household Welfare: The additional income generated through SHG activities can contribute to improvements in household welfare. Women may use their earnings to support family nutrition, healthcare, children's education, housing, and other essential needs. Their participation in economic activities can also strengthen their role in household decision-making and improve their ability to contribute to the family's long-term well-being.

Financial Inclusion: Self-Help Groups serve as an important link between women and formal financial institutions. By facilitating access to bank accounts, savings facilities, credit, financial literacy programmes, and government-supported livelihood initiatives, SHGs help women

participate more actively in the formal financial system. Financial inclusion enables women to understand financial services, manage their resources more effectively, and make informed economic decisions. Thus, SHGs can contribute to women's financial independence and broader socioeconomic empowerment.

Government Initiatives Supporting Self-Help Groups

Uiuhg6Deendayal Antyodaya Yojana–National Rural Livelihoods Mission

DAY-NRLM is a major government programme that seeks to organise rural poor households, particularly women, into SHGs and support them through financial inclusion, capacity building and livelihood development. The mission aims to strengthen community institutions and enable women to improve household incomes through sustainable economic activities.

SHG–Bank Linkage Programme

The SHG–Bank Linkage Programme promoted by NABARD connects SHGs with formal banking institutions. It supports savings and credit facilities and helps extend financial services to underserved communities. The programme can improve women's access to financial resources and strengthen their ability to plan economic activities.

National and state-level livelihood initiatives

State governments and other public institutions implement livelihood and community development initiatives that

may involve SHGs. These programmes can support training, production, marketing and access to welfare services.

Skill development and entrepreneurship support

Training programmes can improve women's technical, managerial and entrepreneurial capabilities. Relevant training should respond to local economic opportunities rather than provide skills without realistic employment or market prospects.

Major Challenges Faced by Self-Help Groups

Self-Help Groups (SHGs) play an important role in promoting women's empowerment; however, they face several challenges that affect their sustainability and effectiveness. Inadequate financial resources are a major concern, as members often have limited savings and may struggle to obtain sufficient loans to expand their income-generating activities. Limited business and technical skills can also restrict the growth of SHG enterprises, particularly when members lack training in financial management, production, marketing, and the use of modern technologies.

Market access difficulties present another significant challenge. Women entrepreneurs may find it difficult to identify suitable markets, establish links with buyers, compete with larger businesses, and obtain fair prices for their products. Unequal participation within groups can arise when some members

dominate decision-making while others have limited opportunities to contribute. Such inequalities may weaken group unity and reduce the effectiveness of collective action.

Family and domestic responsibilities also affect women's participation in SHG activities. Household work, childcare, and caregiving responsibilities can limit the time available for attending meetings, participating in training programmes, and managing businesses. Furthermore, dependence on external support, including government schemes, financial institutions, and non-governmental organisations, may affect the long-term sustainability of SHGs if members do not develop sufficient independent management capacity. Finally, credit-related risks, such as difficulties in repaying loans, irregular income, inadequate financial planning, and the possibility of business losses, can create financial pressure on members and their groups. Addressing these challenges through capacity-building programmes, improved access to credit and markets, financial literacy, equitable participation, and stronger institutional support is essential for strengthening SHGs and ensuring their long-term contribution to women's empowerment.

Major Findings of the Study

The analysis of existing literature and programme documents suggests several important findings.

- First, SHGs can provide women with access to savings, credit and livelihood opportunities. These resources may contribute to financial inclusion and household welfare.
- Second, economic empowerment is strengthened when women can exercise control over their income and participate in decisions about borrowing and expenditure.
- Third, collective participation can improve confidence, social networks and leadership skills. Group membership can provide women with opportunities to engage more actively in community life.
- Fourth, SHGs may contribute to political and social empowerment by enabling women to organise around shared concerns and interact with public institutions.
- Fifth, empowerment outcomes vary among groups. Training, leadership quality, access to markets, family support and the availability of institutional assistance influence effectiveness.
- Sixth, financial progress alone does not necessarily eliminate gender discrimination or unequal domestic responsibilities. Wider social change is needed to address entrenched patriarchal attitudes.
- Seventh, government programmes and financial institutions can strengthen SHGs, but sustainable results require long-term capacity

building and meaningful participation by members.

Suggestions for Strengthening Self-Help Groups

- Improve financial literacy: Members should receive practical training in savings, credit, interest calculations, repayment planning and financial recordkeeping.
- Strengthen entrepreneurship: Training should include business planning, accounting, pricing, packaging, quality control and marketing.
- Expand market access: SHGs should be supported in reaching local markets, cooperatives, exhibitions and appropriate digital sales channels.
- Promote inclusive leadership: Leadership responsibilities should rotate where appropriate, and every member should have an opportunity to express opinions and participate in decisions.
- Increase educational opportunities: Adult literacy, digital literacy and continuing education can strengthen members' independence and institutional participation.
- Ensure responsible lending: Loans should be based on realistic repayment capacity, clear terms and suitable livelihood plans.
- Improve institutional coordination: Banks, local governments, training institutions and development

agencies should coordinate their support and provide accessible guidance.

- Address gender inequality: Community programmes should promote shared domestic responsibilities, equal treatment and awareness of women's rights.
- Encourage political participation: Members should be supported in understanding local governance and participating meaningfully in public decision-making.
- Monitor long-term outcomes: Evaluation should consider changes in income, control over resources, decision-making, leadership, social participation and quality of life.
- Support vulnerable members: Women from marginalised communities and those facing disability-related or geographical barriers should receive appropriate assistance.
- Promote sustainable livelihoods: SHG activities should be connected to genuine demand, local resources and opportunities for long-term income generation.

Conclusion

Self-Help Groups have emerged as important institutions for promoting women's empowerment in India. Their significance lies not only in savings and credit but also in the opportunities they create for collective learning, social interaction, leadership and community

participation. In conclusion, Self-Help Groups can become effective instruments of social transformation when they combine economic opportunities with collective agency, education, leadership and social justice. Their ultimate success should be measured not merely by the number of groups formed or loans distributed, but by the extent to which women gain genuine control over resources, exercise decision-making power, participate in public life and enjoy dignity and equality. Empowered women contribute not only to their own development but also to stronger families, inclusive communities and sustainable national progress.

References

- Agarwal, P., & Mathur, P. (2019). Self Help Groups: An exogenous women empowerment strategy in India. *Kasetsart Journal of Social Sciences*, 40(3), 756–761.
- Government of India, Ministry of Rural Development. *Deendayal Antyodaya Yojana–National Rural Livelihoods Mission (DAY-NRLM)*.
- Government of India, Press Information Bureau. (2025). *Target achieved under Deendayal Antyodaya Yojana–National Rural Livelihoods Mission*. Ministry of Rural Development.
- Kumar, N., Raghunathan, K., Arrieta, A., Jilani, A., & Pandey, S. (2021). *The power of the collective empowers women: Evidence from self-help groups in India*. *World Development*, 146, 105579.
- National Bank for Agriculture and Rural Development (NABARD). *Annual Report and publications on the Self-Help Group–Bank Linkage Programme*.