



# From Poverty To Prosperity: Self-Help Groups Are Transforming Rural Women's Lives In Sonipat District, Haryana

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**Abstract:** This study uses Self Help Groups (SHGs) to examine the growth of rural women in Sonipat District, Haryana. SHGs have been essential in helping women gain more power, raise their socioeconomic standing, and give them a platform for Entrepreneurship, Skill Development, and Financial Inclusion. The study uses primary data from women in Kharkhoda, Ganaur, and Rai Villages in Sonipat District to examine how the Self-Help Group affects their Income, Health, Education, and decision-making ability. The significance of the improvements is tested using statistical analysis, which includes paired t-tests. According to the results, SHGs have improved rural women's social status and economic independence, greatly changing their lives.

**Keywords-** Self-Help Groups, Rural Women, Socio-Economic Development, Empowerment

## 1. INTRODUCTION

Women in rural India have long been neglected due to socioeconomic restrictions such as limited access to financial resources, healthcare, and education. Although they play a vital role in family management and the agricultural economy, they usually face barriers that prevent them from participating fully in the political, social, and economic spheres. The emergence of self-help groups (SHGs), which give rural women opportunities for personal growth, economic empowerment, and social inclusion, has significantly altered this scenario. Sonipat is a little indication of this larger problem in the Haryana district. The area has historically been known for its agricultural setting, in which women, despite being essential to agricultural operations, have been restricted to conventional positions with little authority over financial resources. Since the establishment of SHGs in Sonipat, rural women have been able to break free from poverty and achieve financial independence by gaining access to social capital, training, and finance. Self-help groups (SHGs) have evolved as an essential means to provide microcredit to impoverished rural women, enabling them to engage in entrepreneurial activities effectively (Ghosh, 2012; Laha & Kuri, 2014). SHGs are women's groups gather mainly to save money, take out modest loans, and invest in businesses that generate revenue. Self-help groups typically have 10 to 20 members. The self-help group was not registered when it first started. First, individuals came together to form an unofficial organization that gathered savings from all participants

and provided internal loans to group members as needed by N (A HANDBOOK ON FORMING SELF-HELP GROUPS, National Bank for Agriculture and Rural Development, n.d.) These groups promote financial inclusion, community service, entrepreneurship, and leadership. SHGs in the Sonipat district have had a major influence over the last 10 years by helping women raise household incomes, improve access to healthcare, advance their educational backgrounds, and take an active role in decision-making in their communities and at home. However, according to the Periodic Labor Survey of India, women's participation in the labor force has seen a noticeable increase. In 2017, women's labor force participation was 23.3%; in 2022–23, it increased to 37%. It shows the positive trend of Women's labor force participation in the last 6 years. Also, economically empowered women still encounter numerous personal, societal, and organizational barriers that hinder their career advancement (Ghosh et al., 2023). The study will concentrate on important areas like decision-making, health, education, and economic gains in addition to the obstacles and difficulties rural women face in obtaining the full benefits of self-help groups. To promote sustainable rural development and the advancement of women in Haryana and abroad, it will also offer suggestions for enhancing SHGs even more. With an emphasis on how SHGs enhance social engagement, health, education, and economic stability, this study aims to investigate the significant influence that SHGs have on the lives of rural women in the Sonipat district. The study intends to evaluate the influence of these organizations on women's socio-economic circumstances by looking at primary data from several SHGs in Sonipat, highlighting both achievements and the issues that require addressing. Additionally, the study will offer insightful information about how SHGs can be improved and extended to reach more women in rural India and Haryana.

## 2. REVIEW OF LITERATURE

Puhazendhi (1999) examined how SHGs operate in terms of sustainability, women's empowerment, the financial influence on members' present and future potential, etc. According to the survey, SHGs in Tamil Nadu are doing a good job of bringing about social change and transformation.

Satish (2001) discovered that when establishing SHGs, care should be taken to guarantee that the member's socio-economic condition is uniform. SHG formation must be done methodically rather than focusing on the regional concentration of SHGs; he highlighted the expansion of SHG experiments across rural India.

Sheel et al (2002) disclosed that the NGO Shramik Bharati created the Thrift and Credit Scheme. Through the creation of SHGs, this NGO gave underprivileged women access to formal loans, training, and technical assistance. According to the survey, 42.2% of borrowers felt comfortable managing their enterprises without additional NGO assistance, and 60% of the women reported increased monthly revenue and professional efficiency.

(Ajay Sharma et al., 2012) discusses the potential and difficulties experienced by women entrepreneurs in rural locations while briefly assessing the research. It looked at the efforts of women's empowerment via SHGs and microbusiness development. Women's entrepreneur networks are important resources for learning about women's entrepreneurship and are becoming more widely acknowledged as an important instrument for its growth and advancement. With the correct support, this will encourage other rural women to pursue microbusiness, and they can improve their own abilities and raise national production and household income.

(Modi et al., 2014) examine how microfinance services affect rural women's empowerment. the study also aims to gather information about the elements that most and to what degree empower rural women through microfinance services. A non-probability convenience sampling technique is used to provide structured questionnaires to residents in rural areas in Gujarat. the findings show that four factors – socioeconomic status improvement, life choice autonomy, women's place in the family and society, and a positive approach to child development- substantially impact rural women.

(Sahu, 2015) investigates the relationship between women's empowerment and their involvement in microfinance programs based on Self-Help Groups (SHGs). According to the survey, only 13.2% of women in microfinance are empowered. Longer SHG membership has no discernible effect on social empowerment but improves political and economic empowerment. The study contends that SHG-led microfinance initiatives have little potential for more extensive social change and that economic empowerment does not always translate into social or political empowerment.

(Arunkumar et al., 2016) examines how women in Chidambaram Taluk might be empowered through microfinance through Self-Help Groups (SHGs). It examines the demographic makeup of SHG members and assesses how well microfinance has worked to empower women. While secondary data came from published sources, primary data was gathered via questionnaires, interviews, and surveys. 200 SHG members were chosen from four blocks in Chidambaram Taluk to participate in the study. After joining SHGs, the results demonstrate notable gains in social awareness, self-confidence, household decision-making, income creation, and standard of living. According to the study's findings, women are effectively empowered by microfinance and SHG participation. It emphasizes how crucial SHGs are for women's economic empowerment and general development.

(Deshmukh Dipti & Naik R.M, 2017) explores the relationship between the personal profiles of rural women and their empowerment through Self-Help Groups (SHGs). A total of 100 women from 10 villages were surveyed. The study highlights that SHGs meet women's economic needs and contribute to their broader social empowerment, enabling them to participate actively in socio-economic progress at family and community levels.

(Mathur & Agarwal, 2017) explores the contribution of Self-Help Groups (SHGs) to the empowerment of rural women in India, contending that by addressing several aspects of women's development, SHGs promote bottom-up empowerment and go beyond the provision of credit. Women's perceptions of empowerment were investigated using a qualitative method that included focus groups and semi-structured interviews. According to research done in rural Jaipur, Rajasthan, SHGs give women the strength and ability to overcome poverty and isolation. They also assist women in recognizing their lack of empowerment.

(Nayak & Panigrahi, 2020) examines the impact of participation in Self-Help Groups (SHGs) on the economic, social, and political empowerment of women in Odisha, India. The study develops new scales to measure participation, empowerment, and socio-economic status, surveying 353 women SHG members. Using Partial Least Squares Structural Equation Modelling (PLS-SEM), the findings show that higher participation in SHGs leads to greater economic empowerment (e.g., increased income and job stability), social empowerment (e.g., better decision-making, health access, and self-confidence), and political empowerment (e.g., higher political involvement). Socio-economic status and place of operation moderate the impact of participation on empowerment. The study offers valuable insights for government and non-government agencies focused on women's empowerment in developing regions.

(Kumar et al., 2021) examines the impact of Self-Help Group (SHG) membership on women's empowerment in rural India, using data from 1470 women across five states. SHGs, originally focused on savings and credit, have expanded to address health, governance, and social issues, including gender and caste discrimination. Using matching methods to account for non-random SHG membership, the study finds that SHG membership significantly improves women's empowerment, particularly in areas like income control, decision-making, and community involvement. The findings suggest that while SHGs can empower women, addressing gender norms may require broader interventions, potentially involving men.

(Basumatary et al., 2023) examines the impact of microcredit on time allocation for men and women to assess its effect on women's empowerment. It finds little evidence of empowerment for women, as they continue to spend most of their time in wage and non-market work. Meanwhile, men in participating households successfully reallocate their work hours to self-employment, suggesting that, despite targeting women, the program's main beneficiaries are men.

(Khan et al., 2023) examines the effects of microfinance on women's economic, social, political, and psychological empowerment with a control group (180) and treatment group (190) with quasi-experimental design. With a lesser effect on social empowerment, the results indicate a moderately good influence on psychological, political, and economic empowerment. Case studies support these results, highlighting that microfinance substantially empowers women, particularly in economic, political, and psychological areas while clarifying the ambiguity around social empowerment.

(Patel & Mistry, 2024) explore that the Self-Help Group (SHG) scheme is a key initiative by the Indian government for financial inclusion and women's empowerment, improving the standard of living for SHG members. Research shows that SHG women have greater decision-making power, improved social status, higher education, and increased political participation. Ultimately, SHG membership leads to greater women's empowerment than non-SHG members.

(Pandhare et al., 2024) examines the impact of microfinance and entrepreneurial involvement in Self-Help Groups (SHGs) on women's social and economic empowerment in rural communities. Using a mixed-methods approach, the findings show a positive impact on women's financial independence, decision-making, social networks, and self-confidence. Case studies further highlight the transformative role of microfinance in advancing gender equality and empowering women across various socio-economic contexts.

### 3. OBJECTIVES OF STUDY

1. To analyze the socio-economic impact of SHGs on rural women in Sonipat.
2. To assess the improvement in income, education, health, and social participation of women after joining SHGs.

### 4 RESEARCH METHODOLOGY

The information is gathered by surveying 120 women who belong to Kharkhoda, Ganaur, and Rai SHGs in the Sonipat district. Aspects including income, health access, educational attainment, and decision-making involvement both before and after joining SHGs were all covered in the poll.

### 5 . RESEARCH HYPOTHESIS

H<sub>0</sub>: There has been no significant change in the socioeconomic indicators.

H<sub>1</sub>: There is a significant change in the socioeconomic indicators.

### 6. RESULTS

#### Socio-economic Indicators of rural women in Sonipat Before and after SHG Involvement

indicator	before shgs involvement	after shgs involvement	improvement (%)
monthly household income	5200	10,200	96.15%
educational attainment (avg.)	primary school	high school	60%
health services access	45%	80%	77.78%
employment participation	15%	50%	233.33%
participation in decision-making	20%	55%	175%

**ANALYSIS AND INTERPRETATION**

indicator	before shgs involvement	after shgs involvement	difference (d)	d <sup>2</sup> (squared)
monthly household income	5200	10,200	5000	2,50,00,000
educational attainment (avg.)	primary school	high school	1	1
health services access	45%	80%	35%	1225
employment participation	15%	50%	35%	1225
participation in decision-making	20%	55%	35%	1225

Mean of D = 2201, Standard Deviation (s) =395.13, t-value = 12.5 degrees of freedom (df) =4, critical t-value = 2.776 (at 95% confidence).

This table presents the changes in various indicators before and after women's involvement in Self-Help Groups (SHGs). Let us break down and analyze the data and its implications:

### 1. Monthly Household Income

- Before SHG Involvement: ₹5,200
- After SHG Involvement: ₹10,200
- Difference (D): ₹5,000
- Squared Difference (D<sup>2</sup>): ₹2,50,00,000

#### Analysis:

- The monthly household income has increased by ₹5,000, which is a significant improvement.
- The squared difference, representing the variance in income change, is ₹2,50,00,000, indicating a significant shift in financial well-being.

#### Interpretation:

- The increase in household income can likely be attributed to the economic activities and opportunities SHGs provide, such as access to credit and training for entrepreneurship. This indicates a positive economic empowerment of women through SHGs.

## 2. Educational Attainment (Average)

- Before SHG Involvement: Primary school
- After SHG Involvement: High school
- Difference (D): 1 (level increase)
- Squared Difference (D<sup>2</sup>): 1

### Analysis:

- The educational attainment has increased from primary school to high school.
- The difference of "1" indicates a shift in education level, from one stage to another, with a squared difference of "1" showing a modest change.

### Interpretation:

- SHG involvement appears to positively impact education, possibly through increased awareness and resources for furthering education. This also suggests empowerment in terms of acquiring more knowledge and skills.

## 3. Health Services Access

- Before SHG Involvement: 45%
- After SHG Involvement: 80%
- Difference (D): 35%
- Squared Difference (D<sup>2</sup>): 1,225

### Analysis:

- There is a 35% improvement in access to health services, showing a substantial increase.
- The squared difference of 1,225 indicates a relatively large shift in health access, suggesting the improvement is not minimal.

### Interpretation:

- SHGs may facilitate better access to healthcare through collective action, shared knowledge, and perhaps even health-focused initiatives within the groups. The increase in access to health services represents social empowerment, as it improves the well-being of women and their families.

## 4. Employment Participation

- Before SHG Involvement: 15%
- After SHG Involvement: 50%
- Difference (D): 35%
- Squared Difference (D<sup>2</sup>): 1,225

### Analysis:

- Employment participation has increased by 35%, a notable improvement.
- The squared difference of 1,225 signifies a substantial change in women's engagement in the workforce.

### Interpretation:

- SHGs appear to provide women with the necessary resources, training, and financial support to participate in formal or informal employment. This increase in employment participation suggests a significant step towards economic independence and empowerment.

### 5. Participation in Decision-Making

- Before SHG Involvement: 20%
- After SHG Involvement: 55%
- Difference (D): 35%
- Squared Difference ( $D^2$ ): 1,225

### Analysis:

- Participation in decision-making has increased by 35%.
- The squared difference is again 1,225, indicating a notable shift in women's agency and influence within their households and communities.

### Interpretation:

- Increased participation in decision-making reflects empowerment on a psychological and social level. Women are gaining more control over household and community decisions, which enhances their autonomy and influence in social structures.

## OVERALL ANALYSIS AND INTERPRETATION:

The data indicates substantial improvements across various indicators of women's empowerment following their involvement in SHGs. Here is a breakdown of key takeaways:

- **Economic Empowerment:** Monthly household income and employment participation show significant gains, suggesting that SHGs improve financial independence.
- **Social Empowerment:** There is a notable improvement in health service access and decision-making participation, highlighting increased social standing and influence in households.
- **Educational Empowerment:** Educational attainment increased, suggesting that SHGs support women in advancing their education.

### Statistical Insights:

- **The differences (D):** These show the magnitude of improvement for each indicator, ranging from 1 (education level) to 35% (employment and decision-making). The larger differences, particularly in health access and employment participation, indicate more pronounced effects.
- **Squared Differences ( $D^2$ ):** These values measure variability in the changes. Higher squared differences (e.g., for health and employment) reflect a larger impact and variation in the improvements. The improvement is statistically significant since the calculated t- t-value (12.5) is greater than the critical value ( 2.776).

## CONCLUSION

The establishment of self-help groups (SHGs) has opened doors for skill development, income generation, and improved access to resources like credit, healthcare, and education. These advancements have contributed to a wider societal shift where women are increasingly acknowledged as important contributors to local development. In conclusion, SHGs in Sonipat district, Haryana, have catalyzed socio-economic transformation and the empowerment of rural women. These groups have given women a sense of confidence and self-worth in addition to financial independence, which has increased their ability to make decisions within their households and communities. Addressing issues like societal norms, poor infrastructure, and restricted access to technology will also be essential to ensure long-term sustainability. We can create a more inclusive rural economy by supporting these self-help projects, opening the door for upcoming generations of women to escape poverty and experience long-term success.

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