

SHG-BLP: A COMPREHENSIVE TOOL TO ACHIEVE SUSTAINABLE DEVELOPMENT GOALS (SDGS)

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Abstract

India's National Development Goals align with the Sustainable Development Goals (SDGs). Even before the SDGs were fully formulated, India was committed to achieving these targets. Rural women play a crucial role in driving transformational economic and social changes necessary for sustainable development. Women act as the backbone of any society, especially in rural areas, possessing the power to create, nurture, and transform. The Self-Help Group (SHG) movement in India has been instrumental in empowering women and alleviating poverty in both rural and urban communities. Many women credit the SHG movement for improving their livelihoods. Due to the interconnected nature of the SDGs, progress in one goal often supports advancement in others. While significant challenges remain, numerous indicators reflecting the status of women in India have improved over the years. This paper explores the role of women's SHGs under the Bank Linkage Programme (SHG-BLP) in achieving SDG 5—gender equality and empowerment of all women and girls—with a special focus on Kerala.

Keywords: *Self-Help Groups, Women Empowerment, Bank Linkage, Microfinance, Sustainable Development Goals.*

Introduction

India has played a significant part in shaping and implementing the Sustainable Development Goals (SDGs). The country demonstrated a strong commitment to these goals even before they were fully defined. The NITI Aayog has mapped the 17 SDGs and 169 targets to central ministries, government schemes, and key initiatives. Most states have conducted similar mappings to align their programmes with the SDGs.

Kerala is a leading state in promoting Self-Help Groups (SHGs), operating under names such as Kudumbashree, Janasree, and Amrithasree. Women's SHGs formed exclusively for rural women serve as effective platforms for community involvement in development activities. SHGs are recognized as a significant tool for adopting a participatory approach and have successfully integrated women into the mainstream of national development. The rapid growth of the Self-Help Group Bank Linkage Programme (SHG-BLP) has promoted livelihood opportunities for marginalized populations, especially rural women, contributing to their empowerment.

Statement of the Problem

The socio-economic development of a nation can only be rapid and holistic when both men and women actively contribute to its growth. Promoting various income-generating activities, especially among rural women, is widely considered one of the most effective means to address multiple socio-economic challenges. Self-Help Groups (SHGs) are designed to empower women through community-based programs aimed at poverty eradication and social mobilization. This study seeks to determine whether the promotion of such groups effectively supports the government's plans for achieving the Sustainable Development Goals (SDGs).

Objectives

1. To analyze the progress of the SHG-Bank Linkage Programme (SHG-BLP) movement in India.
2. To evaluate the level of empowerment among rural SHG women in the Thiruvananthapuram district of Kerala.
3. To examine the role of women's Self-Help Groups in Kerala in the context of the Sustainable Development Goals.

Methodology

This study is empirical in nature and primarily based on the collection of primary data. In addition to gathering primary data, relevant secondary data and literature have been compiled, analyzed, and reviewed. The secondary data sources include published reports and documented studies.

Primary data were collected from 100 women SHG members in Thiruvananthapuram district, Kerala, who have had at least five years of experience and whose SHGs are linked to banks. The data collection was done using a structured questionnaire.

For analysis, percentage and mean score techniques were applied. The mean score method was employed to assess various attributes on a five-point scale—where a score of 1 represents the lowest level of agreement or opinion, and 5 represents the highest level. The weighted average of these mean scores was calculated to determine the overall level of empowerment in different aspects.

Review of Literature

According to UNIFEM (2000), women's empowerment involves "gaining the ability to generate choices and exercise bargaining power, developing a sense of self-worth, a belief in one's ability to secure desired changes, and the right to control one's life." Empowerment implies the expansion of assets and capabilities of people to influence, control, and hold accountable the institutions affecting their lives (World Bank Resource Book, n.d.).

The United Nations' Millennium Development Goals (MDGs) highlighted gender equality and women's empowerment as key objectives. For instance, the United States Agency for International Development (USAID) has facilitated empowerment programs since 2001.

In India, from the Fifth Five-Year Plan onward, there has been a marked shift from welfare to development-focused approaches regarding women's issues. The Government of India declared 2001 as the "Women's Empowerment Year" (Neelamegam&Dhanasekhar, 2018). Neelamegam and Dhanasekhar examined social and demographic dimensions of SHGs in India, emphasizing the need to understand members' needs within their specific contexts.

Baasha Khadar (2017) conducted an empirical study on rural women's empowerment through SHGs in Prakasam district, Andhra Pradesh, concluding that SHGs promote economic development and enhance women's self-esteem.

K. Asha, S. Choudhary, and L.M. Khan (2018) studied Jaipur district in Rajasthan, finding that income-generating activities within SHGs contributed to rural women's empowerment, increasing their knowledge, skills, and communication abilities.

Sarath Kamala and Uma Jyothi (2018) analyzed SHG activities in three regions of Telangana and found that SHG members were empowered financially, economically, socially, and politically, gaining improved cultural, social, and economic positions.

The literature review demonstrates that women's empowerment is multifaceted, involving personal, economic, social, and financial dimensions. This study focuses on these dimensions in evaluating the impact of SHGs.

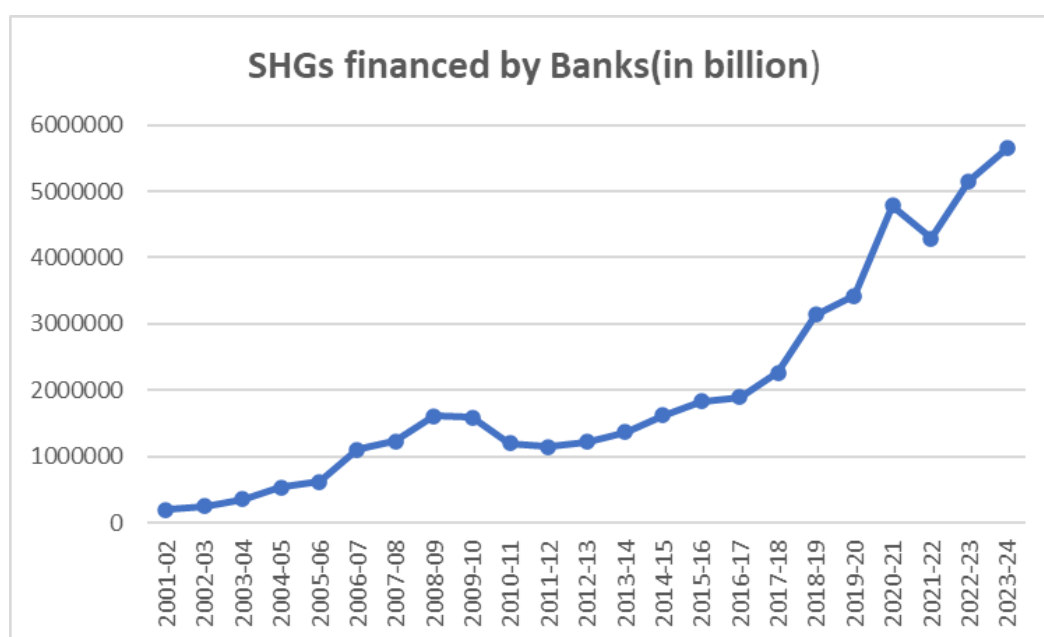
Schemes for Rural Development and SHG-BLP

Even before independence, India undertook efforts to uplift rural communities through programmes such as the Community Development Programme involving social workers. After independence, rural development gained priority with substantial planning and efforts focused on infrastructure and employment.

Key schemes implemented over the years include: Community Development Programme (1952), Intensive Agricultural Development Programme (1961), Minimum Needs Programme (1974), National Rural Employment Programme (1980), Integrated Rural Development Programme (1980), Indira Awas Yojana (1986), Jawahar Rojgar Yojana (1989), and others. However, many of these programmes faced challenges such as limited infrastructure, improper loan utilization, mismanagement, and inadequate monitoring.

Successive Five-Year Plans emphasized improvement of rural livelihoods. The Ministry of Rural Development implemented various schemes providing employment and infrastructure, including Swarnajayanti Gram Swarozgar Yojana (SGSY), Prime Minister's Rozgar Yojana (PMRY), Sampoorna Grameen Rozgar Yojana (SGRY), and National Rural Employment Guarantee Programme (NREGP).

Microfinance, inspired by Professor Muhammad Yunus's Grameen Bank model in Bangladesh, was introduced in India to provide credit to the poor on easy terms, especially women. NABARD began promoting Self-Help Groups (SHGs) linked to bank credit in 1992 to improve livelihoods. This approach, known as the Self-Help Group-Bank Linkage Programme (SHG-BLP), has emerged as one of the world's largest microfinance movements, organizing poor women into self-managed groups accessing bank loans (NABARD, 2023).



Source: Compiled from NABARD REPORTs, 2001-2023

Today, the SHG - Bank Linkage Programme (SBLP) is the largest microfinance programme in the world because of its sheer size and the population it touches. What is equally remarkable is that it is also the most widely participated developmental programme in the country and perhaps in the world, with a large number of channel partners, their grassroots workers, government agencies, and banking outlets involved. The SBLP has changed the attitude of the banking system- that the poor are not bankable and that commercial principles cannot be applied in lending to the poor. Banks have realized that lending to the poor can also be a viable activity apart from fulfilling their social obligation. Now, the SBLP has outgrown its initial objective of providing supplementary credit strategies for meeting the credit needs of the poor and has emerged as a tool for the empowerment of rural women.

During its 30 years of journey, SBLP has been empowering the rural poor, especially rural women. The promotion and nurturing of SHGs have been suitably incentivized to encourage financial inclusion, credit linkage, and livelihood promotion. It focuses on how the program contributes to sustainable development by asking how the Self-Help Group Bank Linkage Programme leads to the empowerment of rural women.

Data Analysis and Discussion

To measure empowerment among SHG women, 4 aspects of empowerment, Personal, Social, Economic, and Financial, were considered. A 5-pointscale was used to collect respondents' opinions.

1. Personal Empowerment: The respondents' opinions on 6 attributes of personal empowerment are given in Table 1.

Table 1. Personal Empowerment

Personal Empowerment Attribute	Very High (%)	High (%)	Moderate (%)	Low (%)	Very Low (%)	Mean Score
Confidence	9	84	4	1	2	3.97
Independence	7	85	5	2	1	3.95
Self-Respect	8	88	3	1	0	4.03
Mutual Respect	10	82	5	2	1	3.98
Family Acceptance	12	71	11	4	1	3.86
Relatives Acceptance	15	60	20	5	1	3.86
Average						3.94

Source: primary survey

With a mean score of 3.94, personal empowerment is notably high among the participants. Women reported increased confidence, independence, self-respect, and acceptance from family and relatives. This aligns with earlier findings by Neelamegam and Dhanasekhar (2018), who emphasized the role of SHGs in enhancing personal agency among rural women.

2. Social Empowerment: Opinions on 9 attributes were collected and analysed as in Table 2.

Table 2 Social Empowerment of SHG Women

Attribute	Very High (%)	High (%)	Moderate (%)	Low (%)	Very Low (%)	Mean Score
Group Cohesiveness	1	7	37	45	10	2.44
Organisational Skill	6	31	38	25	0	2.18
Interactive Skill	1	6	32	41	20	2.27
Public Speaking	4	25	34	37	0	1.96
Awareness of Rights	5	36	25	34	0	2.12
Acceptance in Society	3	30	50	17	0	2.19
Awareness of Social Problems	1	29	30	40	0	1.91
Participation in Social Programs	2	22	64	12	0	2.14
Membership in Other Organizations	16	4	6	70	4	2.58
Average						2.20

Source: Primary survey

The social empowerment dimension scored lowest, with an average mean score of 2.20. Respondents indicated limited participation in social programs, low awareness of rights and social issues, and insufficient public speaking and group cohesiveness skills.

These findings suggest ongoing challenges in translating economic empowerment into broader social inclusion, a concern also noted by Sarath Kamala and Uma Jyothi (2018).

3. Economic Empowerment: To measure economic empowerment, opinions on 7 attributes were collected from the sample respondents. Scores for each attribute are presented in Table 3.

Table 3 Economic Empowerment of SHG Women

Attribute	Very High (%)	High (%)	Moderate (%)	Low (%)	Very Low (%)	Mean Score
Technical Skill	1	7	4	1	87	1.34
Entrepreneurial Skill	1	8	6	2	83	1.42
Employment Opportunity	5	3	92	0	0	1.21
Individual/Family Health	35	31	32	2	0	3.99
Living Conditions	7	11	69	12	1	3.11
Economic Status	7	0	23	70	0	2.47
Social Security	67	25	8	0	0	2.59
Average						4.002

Source: Primary survey

Economic empowerment yielded the highest average score of 4.00. Participants reported improvements in health, living conditions, and economic status, showing that SHG membership contributes substantially to sustainable livelihoods. This confirms previous research demonstrating the strong economic benefits of SHG participation (e.g., Baasha Khadar, 2017; K.Asha et al., 2018).

Financial Empowerment

Table 4: Financial Empowerment of SHG Women

Attribute	Very High (%)	High (%)	Moderate (%)	Low (%)	Very Low (%)	Mean Score
Income	8	87	5	0	0	3.03
Savings	9	76	15	0	0	1.94
Expenditure	1	39	36	24	0	3.31
Financial Management Skills	1	7	30	49	13	2.34
Personal Belongings	22	75	3	0	0	2.19
Financial Security	2	5	32	24	37	2.11
Average						2.36

Source: Primary survey

As women start earning their own income through SHGs, their influence over family finances increases. This results in improved spending on children's education, health care, and essential needs. Financial empowerment registered a moderate average score of 2.36. While income and savings increased for many women, financial management skills and perceptions of financial security remained low. This indicates a need for enhanced capacity-building efforts in financial literacy, consistent with observations by the World Bank and NABARD reports (NABARD, 2023).

Overall Empowerment Index:

An aggregate empowerment score of 3.13 suggests a moderate level of empowerment among the SHG members surveyed. Economic and personal empowerment are key strengths, whereas social and financial empowerment require further attention to achieve holistic development.

Table 5. Overall Empowerment	
Index	Value
P_index	3.94
S_index	2.20
E_index	4.002
F_index	2.36
Empowerment Index	3.1255

By analyzing the empowerment levels, it was understood that the rural women in SHGs are more empowered at the economic and personal levels as compared to others. The overall empowerment index is 3.1255.

In Thiruvananthapuram district, SHG- BLP has been successful in empowering women, enhancing their income, and providing them better livelihood opportunities. By contributing to ensuring women's effective participation and leadership roles in their communities and in political, economic, and public life decision-making, which, in turn, is a tool to achieve other SDGs.

SHG-BLP and SDGs

The Self-Help Group-Bank Linkage Programme (SHG-BLP) contributes significantly to multiple Sustainable Development Goals (SDGs). Specifically, it advances SDG 1 (No Poverty) by ensuring

access to financial services for poor and vulnerable women. SHGs improve agricultural productivity and incomes of small-scale food producers, supporting SDG 2 (Zero Hunger). By promoting healthcare, sanitation, and hygiene awareness, SHGs contribute to SDG 3 (Good Health and Well-being).

Empowerment through SHGs directly supports SDG 5 (Gender Equality) by enhancing women's economic and social status. SHGs also foster SDG 8 (Decent Work and Economic Growth) by encouraging entrepreneurship, job creation, and access to credit. Furthermore, SHGs strengthen financial institutions' ability to expand banking access, contributing to SDG 10 (Reduced Inequalities) through greater social and economic inclusion.

Thus, SHG-BLP is a comprehensive tool promoting sustainable development across economic, social, and gender dimensions.

Conclusion

Women's Self-Help Groups under the Bank Linkage Programme are pivotal in advancing the Sustainable Development Goals in India. By enhancing personal confidence, economic well-being, and access to financial services, SHGs contribute to poverty eradication, gender equality, and sustainable livelihoods. While economic and personal empowerment levels are strong, efforts to boost social participation and financial management skills are necessary to achieve holistic empowerment.

Overall, SHGs serve as agents of social change and inclusive development. Strengthening and expanding SHG-BLP initiatives can play a crucial role in India's continued progress toward the SDGs and broader nation-building efforts.

Findings and Suggestions

SHG-BLP is a powerful tool for alleviating rural poverty through the empowerment of women, but poverty still remains a striking factor in our economy. Thus, empowerment among the sample women SHG members aligns closely with several Sustainable Development Goals.

The article suggested that the SHG-BLP is not a restricted model but instead is a flexible and comprehensive tool that can be used to achieve various development goals. Hence, the article looked at the SHG-BLP from different directions while it stood on its unique feature as a tool directed to financing women. Women benefit from such arrangements the most, given the various constraints they face compared to men. Hence, a bottom-up approach is necessary. Deepening instead of widening the SBLP is essential for strengthening rural financial inclusion, empowering marginalized communities, and promoting sustainable livelihoods.

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