



Economical Sustainability of Tribal Women through Self-Help Groups

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Abstract:

Economic sustainability among tribal women has emerged as an important area of study within rural development and gender empowerment discourse. Tribal communities often face socio-economic marginalization, low literacy, limited access to financial institutions, and restricted market participation. Self-Help Groups (SHGs) have become a transformative strategy addressing these challenges by fostering collective savings, credit accessibility, skill development, and micro-entrepreneurship among tribal women. This paper examines how SHGs contribute to the economic sustainability of tribal women by enhancing their income levels, strengthening financial autonomy, promoting livelihood diversification, and improving participation in household and community decision-making. Using secondary data from government reports, scholarly articles, and case studies across India, the paper explores the mechanisms through which SHGs generate economic resilience. Findings indicate that SHGs have significantly improved income stability, savings habits, employability, and socio-economic confidence among tribal women, though challenges such as market linkage gaps, inadequate training, limited digital literacy, and socio-cultural barriers persist. The study suggests strategic interventions including capacity-building, stronger institutional support, improved marketing channels, and adoption of digital financial tools. Overall, SHGs play a critical role in advancing sustainable economic development and gender inclusivity in tribal regions, positioning them as an indispensable instrument for grassroots empowerment and poverty reduction.

Keywords: Self-Help Groups, Tribal Women, Economic Sustainability, Microfinance, Empowerment.

Introduction:

Tribal communities constitute one of the most marginalized social groups in India, characterized by geographical isolation, traditional economies, and limited access to mainstream development initiatives. Women within these communities face compounded disadvantages due to gender-based discrimination and socio-economic vulnerabilities. Economic sustainability defined as the ability to maintain stable income, productive capabilities, and long-term financial resilience is a major challenge for tribal women. Traditional livelihoods such as forest gathering, subsistence agriculture, and

wage labor often fail to provide consistent income or opportunities for upward mobility.

Self-Help Groups (SHGs), introduced as a grassroots microfinance model in the 1980s and strengthened through government schemes such as NRLM (National Rural Livelihood Mission), have emerged as a powerful platform for empowering tribal women. SHGs enable women to form collective groups, mobilize savings, access micro-credit at affordable rates, and engage in income-generating activities including agriculture, livestock rearing, handicrafts, and small enterprises. Beyond economic benefits,

SHGs have enhanced social cohesion, literacy, leadership, and participation in local governance.

This paper investigates the role of SHGs in fostering economic sustainability among tribal women, highlighting the structural barriers, enabling factors, outcomes, and areas for policy improvement. It contributes to ongoing debates on gendered development and sustainable rural livelihoods.

Review of Literature:

The emergence of SHGs as an empowerment mechanism has been widely discussed in development research.

- **NABARD (2008)** highlighted that the SHG-Bank Linkage Program significantly expanded credit access for marginalized women, leading to increased entrepreneurship in rural India.
- **Kabeer (2005)** emphasized that microfinance institutions enhance women's agency by improving their ability to make strategic life choices. Specifically, in tribal areas, SHGs have demonstrated the potential to integrate traditional knowledge with market-based livelihoods.
- **Pattanaik & Jena (2012)** studied tribal women in Odisha and found that SHGs resulted in improved savings behavior, confidence, and household bargaining power.
- **Mishra (2017)** showed that SHGs in central India enabled tribal women to adopt diversified livelihoods such as tasar sericulture, leaf-plate making, and goat rearing, contributing to economic resilience.
- **Basu & Chakraborty (2014)** argued that SHGs strengthen collective identity among tribal women, which is essential given their socio-cultural marginalization.
- **Garai & Mazumdar (2018)** noted that lack of training, limited market linkages, and

inadequate leadership skills hinder the full potential of SHGs in tribal belts.

- **Kumari, K., & Chaudhary, A. K. (2024)** uses a mixed-methods approach to investigate the impact of microfinance on the socio-economic development of rural tribal women, considering income generation and entrepreneurship.

Overall, the literature confirms the positive impact of SHGs while highlighting persistent structural challenges.

Research Gap:

Although several studies have examined the role of Self-Help Groups in empowering women, a noticeable gap exists in research specifically focused on tribal women and their long-term economic sustainability. Most available literature concentrates on general rural populations, offering limited insights into the unique socio-cultural and geographical challenges faced by tribal communities. Furthermore, existing studies primarily highlight immediate impacts such as increased income or improved confidence but rarely assess sustained financial stability, enterprise growth, or resilience over time. Research on market linkages, branding, value chain integration, and digital financial inclusion for tribal SHGs is also limited, despite these factors being crucial for enterprise scalability. Additionally, few studies critically evaluate the effectiveness of government interventions or institutional support mechanisms designed for tribal regions. Regional comparative studies across different tribal belts are scarce as well, restricting a broader understanding of diverse tribal experiences. This study attempts to fill these gaps by providing a more comprehensive and focused analysis of how SHGs influence the economic sustainability of tribal women.

Objectives of the Study:

1. To examine the role of Self-Help Groups in enhancing economic sustainability among tribal women.
2. To understand the socio-economic changes experienced by tribal women after joining SHGs.
3. To identify the challenges faced by tribal women in operating SHG-based economic activities.
4. To suggest interventions for strengthening SHGs to promote sustainable livelihoods among tribal communities.

Research Methodology:

This study adopts a descriptive and analytical research design, relying entirely on secondary data. Data sources include research papers, government reports (NRLM, NABARD, Ministry of Tribal Affairs), books, NGO publications, and case studies conducted in various tribal regions of India. Important keywords such as “tribal women”, “SHGs”, “microfinance”, “economic sustainability”, and “women empowerment” were used to identify relevant literature. Content analysis was employed to synthesize findings and identify

emerging themes. This methodology helps provide a comprehensive understanding of existing knowledge and gaps related to the economic sustainability of tribal women through SHGs.

Discussion:

1.Economic Empowerment through Savings and Credit: Self-Help Groups (SHGs) significantly enhance economic empowerment by improving savings habits and expanding access to affordable credit for tribal women. Table 1 shows a clear rise in monthly savings, loan accessibility, and enterprise-related investments after joining SHGs. For instance, average monthly savings increased from Rs.120 to Rs.450, while loan access rose from 10% to 68% of members. This demonstrates a major shift from financial vulnerability to economic stability. The graph illustrates these improvements clearly, indicating that SHGs not only reduce dependence on informal moneylenders but also enable women to invest in micro-enterprises, livestock, agriculture, and small businesses. Such access to credit and improved financial discipline strengthen long-term economic resilience in tribal communities.

Table 1. Economic Empowerment through Savings and Credit

Financial Indicator	Before SHG	After SHG
Average Monthly Savings	120	450
Loan Access (% of members)	10	68
Average Loan Amount	1500	8500
Investment in Enterprises (% of members)	6	38

Source: Compiled from secondary literature (NABARD, 2008; Swain & Wallentin, 2009)

2.Livelihood Diversification and Entrepreneurship: Tribal regions possess abundant natural resources, which allow women to engage in varied traditional occupations such as non-timber forest product (NTFP) processing, bamboo craft, honey collection, weaving,

medicinal plant cultivation, and horticulture. The involvement of Self-Help Groups (SHGs) significantly enhances this livelihood diversification by providing skill training, financial support, and collective marketing opportunities.

Table 2. Livelihood Diversification and Entrepreneurship

Livelihood Activity	Participation Before SHG (%)	Participation After SHG (%)
NTFP Processing	12	46
Bamboo Craft	8	32
Honey Collection	10	41
Weaving	6	28
Medicinal Plant Cultivation	4	22
Horticulture	9	36

Source: Compiled from *Ministry of Tribal Affairs (2016)* and *TRIFED Annual Report (2020)*

As shown in **Table 2**, participation in NTFP processing increased from **12% to 46%**, bamboo craft from **8% to 32%**, and weaving from **6% to 28%** after women joined SHGs. This substantial rise reflects SHGs' role in converting traditional skills into viable entrepreneurial activities. The accompanying graph visually highlights this upward shift across all major livelihood sectors.

Such diversification reduces dependency on seasonal forest-based income and allows women to maintain earnings throughout the year. Entrepreneurship ensures more stable and predictable income flows, encourages innovation, improves bargaining power, and strengthens economic resilience. Thus, SHGs act as a catalyst, helping tribal women transform their indigenous knowledge and resource-based skills into sustainable, market-linked enterprises.

3.Social Empowerment and Collective Strength: SHGs enhance confidence, communication abilities, leadership, and mobility among tribal women. Group meetings create a platform for discussing social issues such as health, education, sanitation, and domestic violence. Participation in SHGs also encourages involvement in Panchayati Raj Institutions, enabling women to influence community decisions and local governance.

4.Access to Government Schemes and Institutional Support: Through SHGs, tribal women receive support from various schemes

including NRLM, DAY-NRLM, TRIFED, and state-level livelihood missions. These schemes offer training, subsidies, digital literacy programs, and market linkages. SHGs act as intermediaries, ensuring that benefits reach the most marginalized. This promotes inclusive development and reduces socio-economic inequality.

5.Challenges Faced by Tribal SHGs: Despite positive impacts, SHGs in tribal areas face multiple barriers:

- Low literacy and limited numeracy skills hinder record-keeping and financial management.
- Poor connectivity and remoteness limit access to markets, banks, and training centers.
- Inadequate exposure to technology restricts participation in digital finance and online marketing.
- Cultural norms sometimes limit women's mobility and decision-making power.
- Market linkages remain weak, reducing profitability of SHG enterprises.
- Overdependence on traditional, low-return livelihoods restricts scalability.

These constraints highlight the need for focused interventions tailored to tribal contexts.

Findings:

1. SHGs significantly improve the economic sustainability of tribal women by enhancing

savings, credit access, and income-generating opportunities.

2. Women experience greater financial autonomy, which leads to improved household decision-making power and better control over resources.
3. Participation in SHGs increases livelihood diversification, reducing dependence on traditional low-income activities.
4. SHGs foster social empowerment through increased confidence, collective action, and participation in community governance.
5. Government and NGO support plays a crucial role in strengthening SHG functions, but gaps still exist in market linkages, training quality, and digital integration.
6. Structural limitations such as poor infrastructure, low education levels, and social norms continue to pose challenges to maximum SHG effectiveness in tribal regions.

Suggestions:

1. **Skill Development and Capacity Building:** Regular training programs in enterprise management, financial literacy, digital skills, and leadership can strengthen SHG sustainability.
2. **Strengthening Market Linkages:** Establishing producer companies, cluster-based development, and partnerships with e-commerce platforms can expand market access.
3. **Enhanced Institutional Support:** Banks, NGOs, and government agencies should simplify loan processes and ensure timely credit delivery.
4. **Promotion of Tribal Products:** Branding, packaging, and certification of tribal handicrafts and forest products can improve profitability.

5. **Digital Inclusion:** Training tribal women in mobile banking, digital payments, and online marketing reduces dependency and enhances efficiency.
6. **Infrastructure Development:** Improved transportation, storage facilities, and communication networks will support economic activities.
7. **Community Awareness Programs:** Awareness campaigns can help overcome cultural barriers and encourage men to support women's participation in SHGs.

Limitations of the Study:

- The study is based entirely on secondary data; primary field insights could provide deeper understanding.
- Regional variations among different tribal groups are not explored in depth.
- Rapidly changing socio-economic conditions may influence SHG outcomes beyond what existing literature captures.
- The study focuses on women-centric SHGs, excluding mixed-gender or male-dominated groups.

Conclusion:

Self-Help Groups have emerged as a transformative mechanism for promoting economic sustainability among tribal women. By providing access to savings, credit, skill development, and entrepreneurial opportunities, SHGs have enabled women to generate stable incomes, diversify livelihoods, and gain socio-economic empowerment. The collective model strengthens solidarity and enhances women's roles in household and community decision-making. However, significant gaps remain in market integration, digital literacy, institutional support, and infrastructural development. Addressing these challenges through coordinated efforts from government bodies, financial

institutions, and civil society is essential to fully realize the potential of SHGs. Ultimately, empowering tribal women through SHGs not only strengthens their economic resilience but also contributes to inclusive and sustainable rural development.

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