



## SOCIO-ECONOMIC BACKGROUND OF SHGs IN ARUNACHAL PRADESH: A CASE STUDY

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**Abstract:** *The status of the women and their development is lagging on account of the fact that the poverty is very acute among the tribal women than men. For eradication of poverty at its root, it requires sufficient financial and moral support from the part of the Government at the Centre in general and State in particular. One of the best way of improving their status and empowering them is through g Self Help Groups (SHGs). Enormous encouragement and support for forming groups and providing back up support and services is needed in every local area for the development of the rural women in increasing their income, savings, investment, asset generation, taking decisions and ultimately empowerment. Today, women become entrepreneurs exploring new avenues of economic participation because of encouragement and motivation from Self Help Group Promoting Institutions. The present study is based on field study on examining Socio-Economic Background of SHGs in Arunachal Pradesh considering 30 SHGs from three districts, 10 from each district and 10 members from each SHGs.*

**Keywords:** *Tribal Women Empowerment, Savings, Investment, Operating Business, Self Help Group.*

### Introduction

The emergence of women on the economic scene as entrepreneurs is a significant development in the emancipation of women and securing them a place in the society, which they have all along deserved. The hidden entrepreneurial potentials of women have gradually been changing with the growing sensitivity to the role and economic status in the society. Women are increasingly becoming conscious of their existence, their rights and their work situations. Today, women become entrepreneurs exploring new avenues of economic participation because of encouragement and motivation from Self Help Group Promoting Institutions. Among the reasons for women to get involved in micro economic business are their skill and knowledge, their talents, abilities and a compelling desire of wanting to come out of economic helplessness situation. What makes their arrival as entrepreneur and achievements even

more significant and commendable are the struggles they have to put up, frustrations they have to experience and the multiple handicaps they have to overcome to emerge as entrepreneurs at the early stage of their business ( Rakesh 2009). It is hoped that the participation of women in economic activities would usher in an era of clean business ethics. This chapter deals with the profile of sample SHGs and its members to examine their socio-economic status and also their performances in organizing and sustaining their SHGs. It also searches the role of SHGs in increasing the socio-economic status of its members through thrift and credit and common economic activities. The level of performances of thirty sample SHGs from three districts considering ten SHGs from each district are studied on the basis of field study.

**Objectives of the Study:** To investigate the socio-economic background of SHGs formed by the tribal women.

### Methods and Materials

**Study Area:** The study was conducted in three districts out of 21 districts of Arunachal Pradesh namely Papum Pare, Lower Subansiri and Kra Daadi.

**Nature of the Study:** The proposed study is basically empirical in nature based absolutely on field survey. The entire study stands on primary data collected directly from the field.

**Sampling Design and Size:** Stratified random sampling method was adopted for selection of 10 SHGs from each district for intensive study to achieve the proposed objective. Total number of SHGs of three districts under study was 30 (10×3) considering 10 SHGs from each district. Again 10

members of each SHG were selected. Therefore, total number of selected respondents from 30 SHGs was 300 (30×10).

**Tools for Data Analysis:** The completed interview schedule has been scrutinized, verified, edited and arranged statistically. Simple numerical calculations, graphical representations and women empowerment index (WEI) and activity wise change in women empowerment have been considered to write up the report of the study.

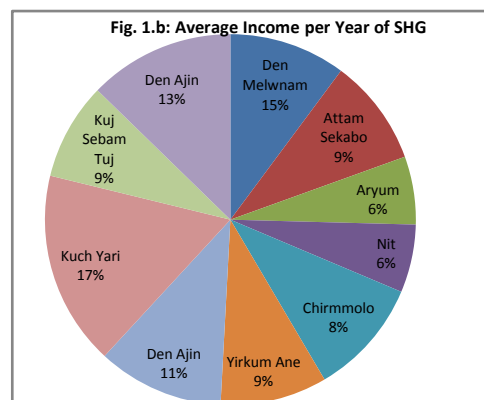
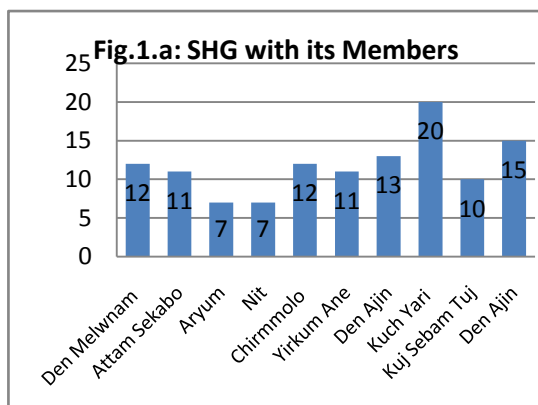
### Results and Discussion

The profile of the sample SHGs of three districts, say Papumpare District, Lower Subansiri and Kra Daadi are discussed and shown below.

**Table-1: Profile of SHGs of Papumpare District**

Sl. No.	Name of SHGs	Village	No. of Members	Date of Formation	Economic Activities of the Group	Income per Year	Promoting Agency
1	Den Melwnam	Balijan	12	2006	Saving and Loan, Catering	60000	Jomo Yaka and supported by Sericulture Department, SIRDA and IDEA(NGO)
2	Attam Sekabo	Gai New	11	2007	Saving and Loan, Sericulture	30000	SIRDA, IDEA and Horticulture Department
3	Aryum	Chimpu	07	2003	Saving and Internal Lending	20000	SAARA, SIRDA
4	Nit	Chimpu	07	2004	Saving and Internal Loan	10000	SAARA, SIRDA
5	Chirmmolo	Hawa Camp	12	2004	Saving and Loan, Piggery	30000	AIDA, SIRDA, DRDA
6	Yirkum Ane	Durpa	11	2002	Saving and Loan, Piggery	30000	SIRDA, AIDA
7	Den Ajin	Langper	13	2012	Saving and Loan, Handicrafts	20000	NN Charitable
8	Kuch Yari	Lower Gai	20	2002	Saving and Loan	60000	ICDS
9	Kuj Sebam Tuj	Kongkra	10	2011	Saving and Micro loan to others	50000	AAS(NGO), NABARD SIRDA
10	Den Ajin	Khamir	15	2012	Saving and Micro loan to others,	70000	NABARD, SIRDA, Horticulture Dept.
Total Member			118				

Source: January to June, 2015



The above Table- 1 shows the Number of Members, Date of Formation, Economic Activities of the Group, Average Income per Year and Promoting Agency in Papumpare District. Fig.1.a and Fig.1.b show mainly number of each SHG member and percentage of average income per year of each SHGs respectively. Den Ajin SHG’s income per year is highest at Rs. 70, 000/- i.e. 20% and that of Nit SHG is lowest at Rs. 10,000/- i.e. 3% among the sample ten SHGs. The main activities of group are saving and loan within the group and outside the group as micro loan @5%

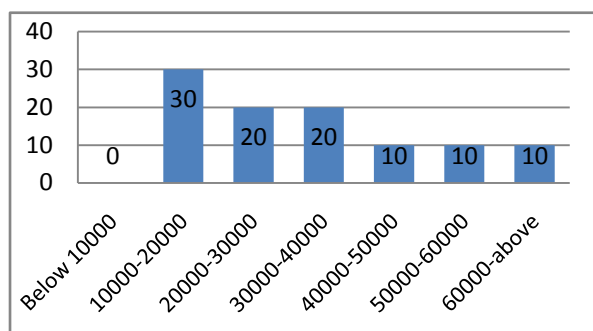
interest per month. These activities are very common amongst all the SHGs. Only few SHGs like Aryum and Nit at Chimpu are functioning as per the norms of SHGs by lending within the group member only @3% interest per month. Chirmmolo and Yirkum Ane SHG at Kimin has taken up the piggery and Den Ajin SHG at Khamir has taken up the innovative *Honyir* (Local spice) garden as a group activities. The groups has earned Rs.30, 000/- and Rs.70, 000/- per year from Piggery and *Honyir* garden respectively.

**Table-2: Income Level wise Number of SHGs and Year wise Establishment of SHGs**

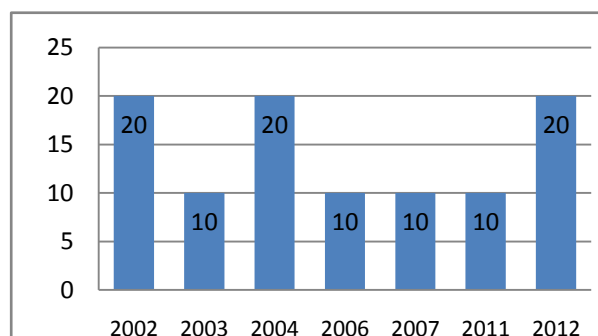
Level of Income of SHG per Year	No. of SHGs	% of SHGs	Year of Establishment	No. of SHGs	% of SHGs
Below 10000	0	0	2002	2	20
10000-20000	3	30	2003	1	10
20000-30000	2	20	2004	2	20
30000-40000	2	20	2006	1	10
40000-50000	1	10	2007	1	10
50000-60000	1	10	2011	1	10
60000-above	1	10	2012	2	20
Total	10			10	

Source: January to June, 2015

**Fig.2.a:Income Level wise % of SHGs**



**Fig.2.b: Establishment wise % of SHGs**



The above table-2 and Fig.2.a show that income level of 30 percent SHGs are 10000 to 20000, 20 percent are earning together 20,000 to 30,000 and another 20 percent are earning 30000 to 40000 and 10 percent each are earning Rs.40000 to 50000,50000-60,000 and 60,000-above in a year. Year wise establishment percentage of SHGs is

shown in Table-2 and Fig.2.b. The formation of SHGs is 20% in each year of 2002, 2004 and 2012 likewise 10% in each year of 2003, 2006, 2007 and 2011.

Individual livelihood of SHG members and their average income per year were investigated and shown below in Table-3.

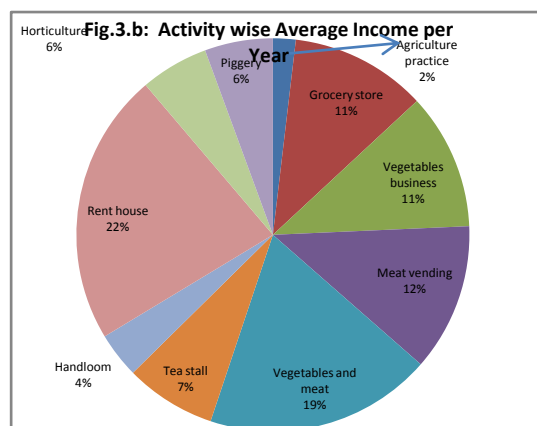
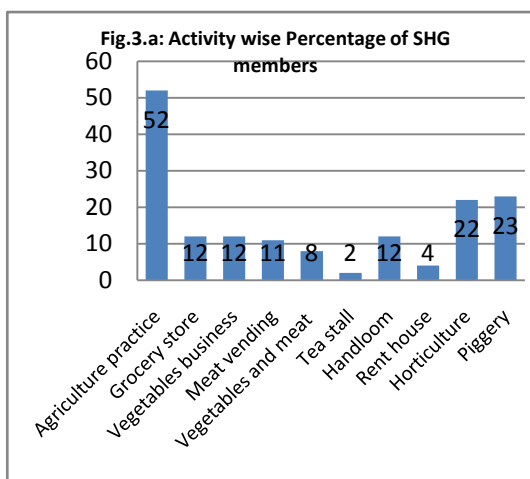
**Table-3.: Individual Livelihood of SHG Members and their Average Income perYear**

Activities	No. and % of SHG Members	Activity wise Average Income per Year
Agriculture practice	52	10000
Grocery Store,	12	60000
Vegetables business	12	60000
Meat Vending	11	65000
Vegetables and Meat vending	8	1,00,000
Tea stall	2	40,000
Handloom	12	20000
Rent House	4	120000
Horticulture(Orange and Pineapple)	22	30000
Piggery	23	30000

Source: January to June, 2015.

*N.B.: Number of SHG members and percentage is same as the sample size of each district is 100. Some members are engaged in multi activities like agriculture, piggery and small occasional business at a time out of 100 sample SHG*

*members. Value of agricultural product is considered only when it is sold but not for self-consumption. Many SHG members were producing vegetables only for self-consumption.*



From the Table-3, Fig.3.a and Fig.3.b, it is observed that activity wise engagement of SHG members was highest in agriculture practices as 31.4% and lowest in tea stall activity as 1.2%. Activity wise average income per year is highest in running the rent house as 27% and lowest in agriculture practices as 1%. The rural economy of the State are largely agriculture and the type of agriculture that they practice are the jhum and permanent paddy cultivation. Major crop is paddy. 52 percent of 10 sample SHG of Papumpare District were jhum farmers. Cultivation of crop was the main source of livelihood for a large majority of the people in the study area. Paddy, Mustard seeds, millets, potatoes and vegetables were grown to meet a part of the domestic needs as well as to sale for earning cash money. Hawa camp in Kimin, which is valley by nature and where the Chirmmolo SHG was taken to study, orange and pineapple cultivation were common. The Chirmmolo group members were also practicing Jhum, Orange and Pineapple as main source of livelihood. Piggery was also a part of their economic activities. Altogether from these activities, each individual member earned about Rs.

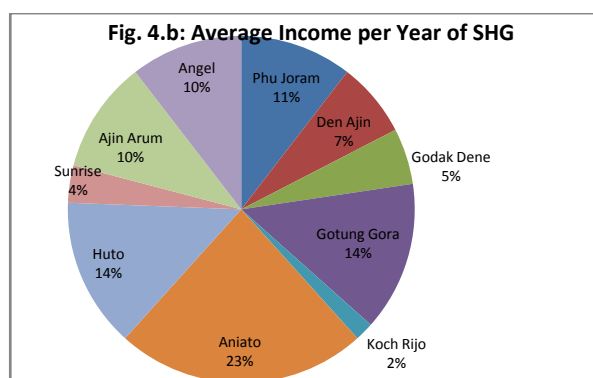
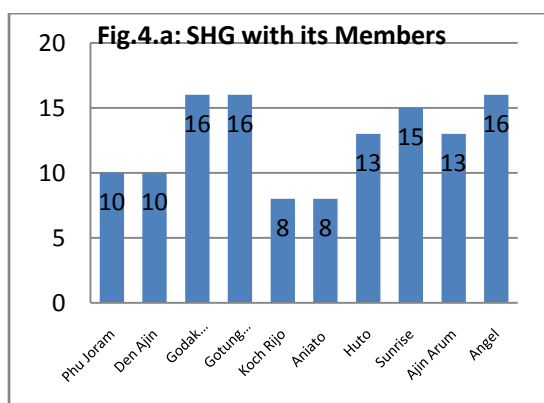
60,000/- as an average income per year. Incomes were likely to increase with the expansion of horticulture and agriculture garden in the subsequent years. With the passes of time, group members were adopting the microenterprise businesses and equipping themselves with knowledge how to earn more income. Person who only had known about jhum cultivation were now the fulltime vegetables and meat vendors in the market, such as Smti Yura Yaro, the member of AryumSHG member. Her success as a small entrepreneur began with the evening class run by the SAARA, a local NGO which turned into SHG named as Aryum SHG. She knew nothing in the beginning. With the passes of time, she continued participation in group activities and transformed herself into successful entrepreneur. Vegetable business is one of the promising and upcoming businesses amongst the rural population. Demands for vegetable, particularly the organic one will never diminish rather it is increasing with ever increasing population in the town. 12 members out of 100 reported in doing the business of vegetables at nearby their locality.

Table -4: Profile of SHGs of Lower Subansiri District

S.No	Name of SHG	Village	No. of Member	Formation	Economic Activities	Income per year	Promoting Agency
1	Phu Joram	Joram	10	2011	Saving and Internal loan	30000	ICDS

2	Den Ajin	Yachuli	10	2008	Saving, Investment and loan	20000	IDEA(NGO)
3	Godak Dene	Boasimla	16	2008	Saving and loan	15000	IDEA(NGO)
4	Gotung Gora	Boasimla	16	2008	Saving and Loan	40000	IDEA(NGO)
5	Koch Rijo	Boasimla	8	2008	Saving and Loan	5000	IDEA(NGO)
6	Aniato	Yada	8	2008	Saving and Loan	67000	IDEA(NGO)
7	Huto	Yada	13	2008	Saving and Loan, Vegetable Garden	40000	IDEA(NGO)
8	Sunrise	Boasimla	15	2008	Saving and Loan, Candle and Dry flower	10000	IDEA(NGO)
9	Ajin Arum	Boasimla	13	2012	Saving and loan	30000	IDEA(NGO)
10	Angel	Boasimla	16	2012	Saving, Loan and Handloom	30000	IDEA(NGO)
Total Members			125				

Source: January to June, 2015



The above Table-4 shows the number of members, date of formation, economic activities of the group, average income per year and promoting agency in Lower Subansiri District. Fig.4.a and Fig. 4.b show mainly number of each SHG member and percentage of average income per year of each SHGs respectively. The main activities of group were saving and loan to members and non-members as well. Sunrise SHG from Boasimla explored the candle making and dry flower after receiving the training from the IDEA (NGO). Shortage of raw material was found to be the main hurdles for continuing the activities. Therefore,

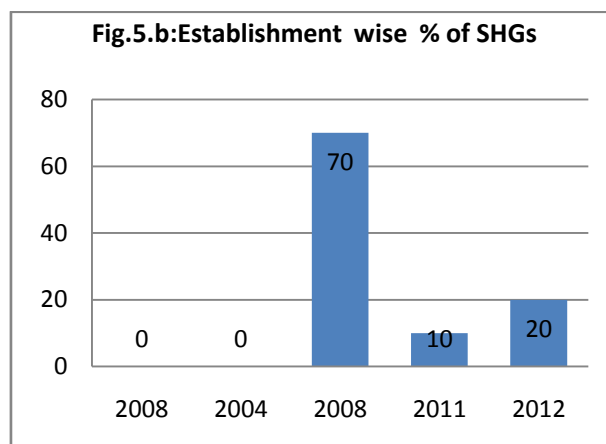
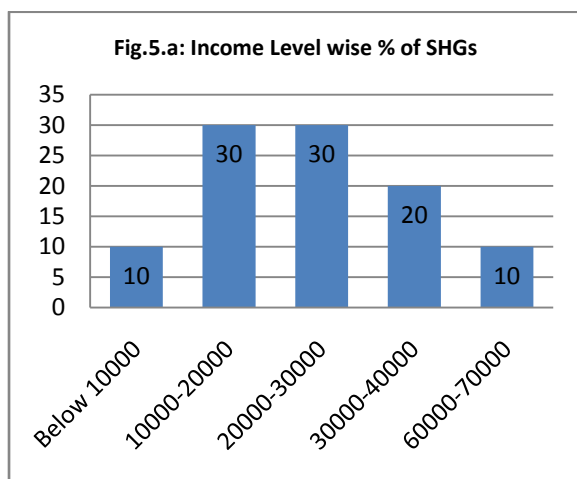
their net earnings were limited to Rs.10, 000 only. Angel SHG of Boasimla was earning the income of Rs. 30,000 in an average in a year from their handloom and embroidery as well as micro loan. Huto SHG formed on 16<sup>th</sup> June, 2008 was found to be good in group activities. They had common agriculture garden, where they grew seasonal vegetable and deposited the income in group account for further division amongst the group. Agriculture and Horticulture Department had extended their supports to this group by supplying seeds of vegetables and granted Rs.10, 000. From the common activities, Huto SHG was earning Rs.40, 000 as an average income in a year.

Table - 5: Level of Income and Year of Establishment of SHG

Level of Income Per Year	No. of SHG	% of SHG	Year of Establishment	No. of SHG	% of SHG
Below 10000	1	10	2008	0	0
10000-20000	3	30	2004	0	0

20000-30000	3	30		2008	7	70
30000-40000	2	20		2011	1	10
60000-70000	1	10		2012	2	20
Total	10				10	

Source: January to June, 2015



The above Table-5, Fig.5.a and 5.b, show that 70 percent viz; 7 SHGs were established in the year 2008. 10 percent of SHGs i.e. 1 SHG was established in the year, 2011 and 20 percent i.e., 2 SHGs in 2012. There were 10 percent SHGs earning below Rs. 10,000, 30 percent each in the range of Rs.10 to 20,000 and Rs.20 to 30,000 respectively, 20 percent in the range of Rs. 30 to 40,000 and 10 percent in the range of Rs. 10,000 in a year. The members of Koch Rijo SHG established in 2008 reported that they earned Rs.5000 in a year

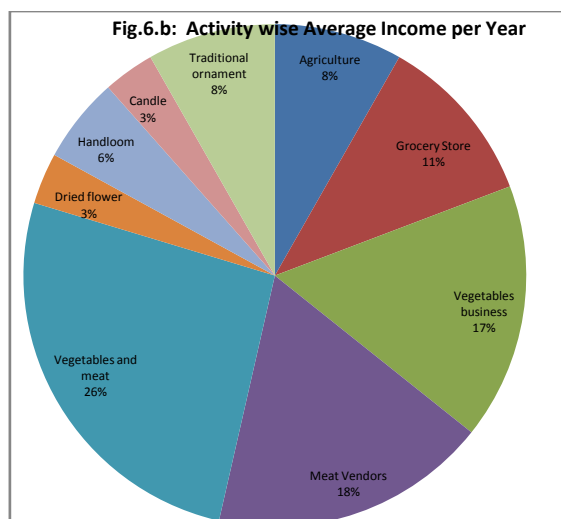
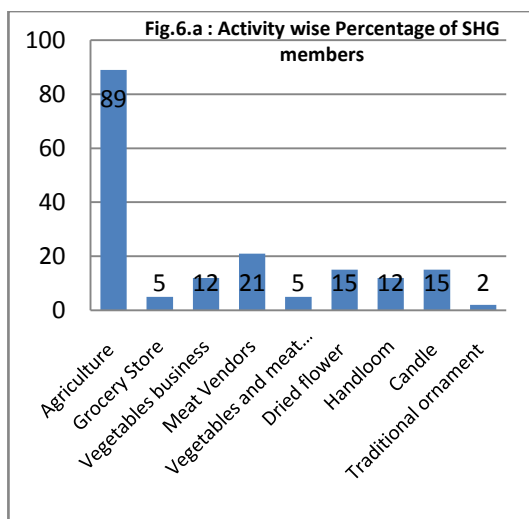
which was the lowest amongst the self help groups. As a reason they explained through focus group discussion that the low income was due to fault of loan repayment of one member in the group. She took a loan amount of Rs.15,000 from the group corpus three years back. She failed to repay the loan even after repeated request of co-members and group leader. This discouraged the other members to deposit the monthly savings and further internal lending within the group. The major portion of the income and savings were disbursed already amongst the members.

**Table-6: Individual Livelihood of SHG Members and their Average Income per Year**

Activities	No. and % of SHG members	Activity wise Average Income per Year
Agriculture	89	30000
Grocery Store	5	40000
Vegetables business	12	60000
Meat Vendors	21	65000
Vegetables and meat vending	5	95000
Dried flower	15	12000
Handloom	12	20000
Candle	15	12000
Traditional ornament	2	30000

Source: January to June, 2015.





From Table-6, Fig.6.a and Fig.6.b,traditionally agriculture being the prime occupation of rural population, it continued to be main source of livelihood for maximum 89% of the sample members. They were earning Rs. 30,000 as an average income in a year from the agricultural activities. Certain cash crops like large cardamom,

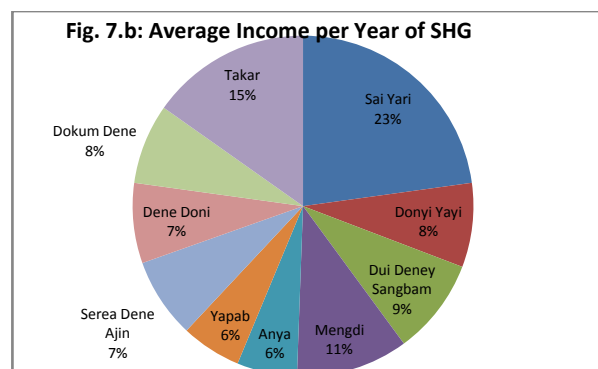
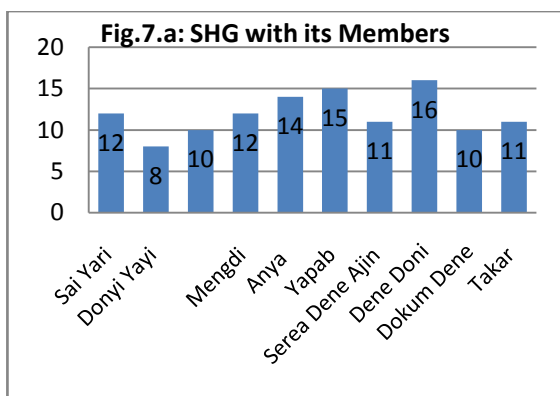
chili, ginger, kiwis, pumpkin, potato and other vegetables were produced for income generation besides paddy production as staple food. However, it was found that members were inclining towards other occupation like running grocery store, vegetables and meat vending, candle making, handloom and traditional ornaments business, etc.

**Table-7: Profile of SHGs in Kra Daadi District**

Sl. No	Name of SHG	Village	No. of Member	Formation	Economic Activities	Income per year	Promoting Agency
1	Sai Yari	Palin	12	2012	Saving and Loan	60000	DRDA
2	Donyi Yayi	Palin	8	2009	Saving, Loan, Handloom and Embroidery	21000	Future Generation
3	Dui Dene Sangbam	Palin	10	2012	Saving and Loan	24000	NGO
4	Mengdi	Palin	12	2012	Saving and Loan	28000	NGO
5	Anya	Palin	14	2009	Saving and Loan	15000	NGO
6	Yapab	Yapab, Palin	15	2012	Saving and Loan, Cardamom	15000	NGO
7	Serea Dene Ajin	Yangte	11	2012	Saving and Loan, cardamom garden	20000	NGO
8	Dene Doni	Yangte	16	2012	Saving and Loan, cardamom garden	20000	NGO
9	Dokum Dene	Yangte	10	2012	Saving and Loan, cardamom	20000	Self-motivated
10	Takar	Yangte	11	2012	Saving and Loan	40000	Self-motivated
Total Members			119				

Source: January to June, 2015.





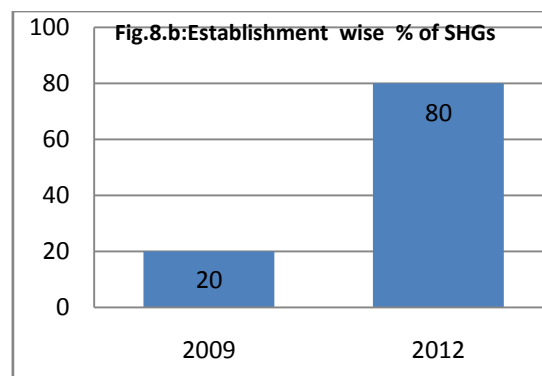
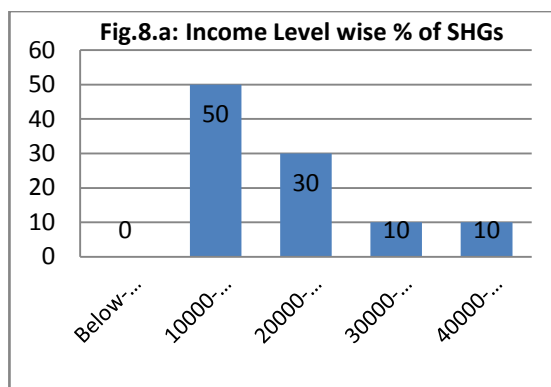
The above Table-7 shows the number of members, date of formation, economic activities of the group, average income per year and promoting agency in Kra Daadi District. Fig.7.a and Fig. 7.b show mainly number of each SHG members and percentage of average income per year of each SHG respectively. It was informed that the concept of SHG had entered in the district through NGO Volunteers during 2001-2002 and later period. Since then the group activities had started and succeeded to some extent in changing the socio-economic condition of women. SHGs had been formed, defunct and then renewed again. The activities of these 10 SHGs were found interesting and encouraging, particularly the groups from Yangte village namely Serea Dene Ajin, Dene

Doni, Dokum Dene and Takar. They were exchanging their own self labour for larger cardamom cultivation which had a promising income for them besides their regular thrift and credit activities of Group. The main problem explained through focus group discussion was that they were not able to access the banking services because of long distance. One SBI Bank and one Apex Cooperative Bank were situated at Palin for entire Kra-Daadi District. The distance in between Yangte and Palin is about 60 kilometers. Moreover, public transport was not available from the village to Palin, the market hub of the district. Even, if the public transports were available, bearing the cost of fare on regular basis might be difficult for SHGs.

**Table-8: Level of Income and Year of Establishment of SHGs**

Level of Income	No. of SHG	% of SHG	Year of Establishment	No. of SHG	% of SHG
Below-10000	0	0	2009	2	20
10000-20000	5	50	2012	8	80
20000-30000	3	30	-	-	-
30000-40000	1	10	-	-	-
40000-Above	1	10	-	-	-
Total	10			10	

Source: January to June, 2015



In the above table-8, Fig.8.a and 8.b show the number of groups in different income level and in different year of establishment. 50 percent of the groups were in the range of income Rs.10 to 20

thousand, 30 percent were in the level of 20 to 30,000 and 10 percent each in 30 to 40,000 and above 40,000. Maximum group as much as 80 percent groups had been formed during 2012 and 20 percent in 2009.

**Table-9: Individual Livelihood of SHG Members and their Average Income per Year**

Activities	No. and % of SHG members	Activity wise Average Income per Year
Agriculture including Cardamom Gardening	79	20000
Grocery Store	3	60000
Vegetable business	2	40000
Meat Vending	1	50000
Vegetables and Meat Vending	2	75000
Cloth stores	8	100000
Handloom & Embroidery	8	50000
Medical Store	1	200000
Beauty Parlor	1	100000
Thread and Handloom Store	1	100000

Source: January to June, 2015.

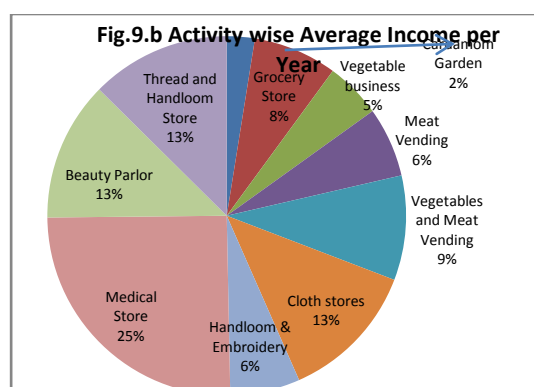
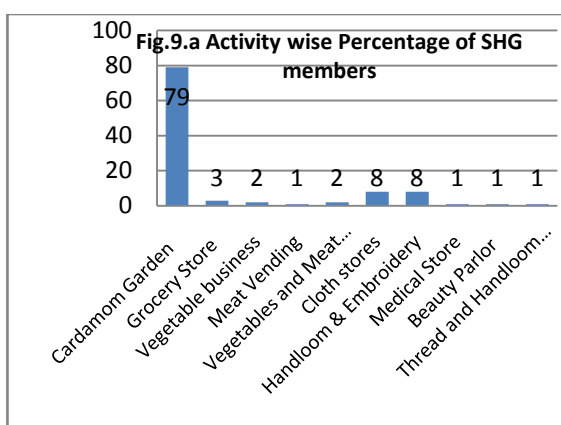


Table-9, Fig.9.a and Fig.9.b depict that activity wise engagement of SHG members was 79% in agriculture practices, it was highest and lowest i.e., 1% each in meat vending, medical store, beauty parlor and thread and handloom store activities.

Activity wise average income per year was highest in medical store as 25% and lowest in Cardamom Gardening as 2%. Most of the SHG members were practicing agriculture for their livelihood. Various kind of local potato including tapioca, sweet potato, arum and some vegetables including traditional

crops were produced for self-consumption as well as for supply in the market. Cropping system was entirely different from that of the plains. The farmers had to fight against very heavy odds. The climatic conditions, magnitude of soil erosion were some of the factors hindrances against production. The low temperature permits the production of only one crop throughout the whole year. The topography of the district consist of huge mountains, sloping and valleys. In mountainous tracts the proportion of the area under cultivation was very low as the farmer cultivated manually on the sloping of the hills.

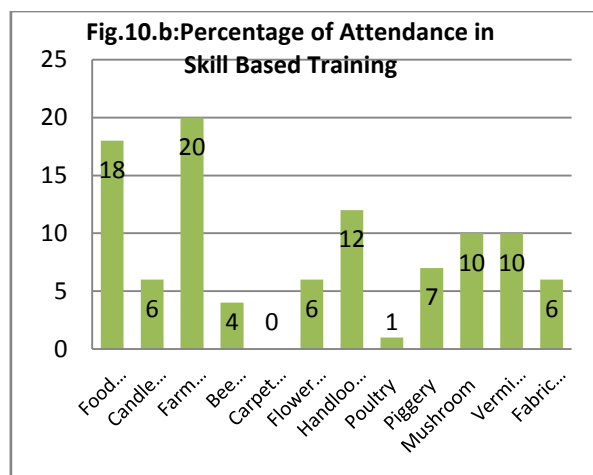
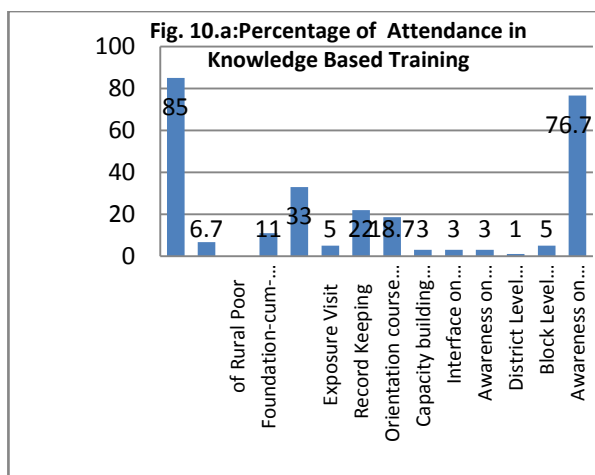
Cardamom cultivation which was becoming boon for the State is increasingly cultivated by the

sample SHG members also. Yapab group situated near Palin had a common garden for the group. They were expecting good income from the garden over the years. However, they lamented through the focus group discussion that no other department or agency had come forward for the help in terms of supplying seeds and fencing or for any other income generation activities. This report was common for all the sample SHG members. They were not able to maintain the temporary bamboo fencing and enlarge the garden because of fencing problems. 1 to 8 percent members of 9 sample SHGs were running grocery, cloth, handloom & thread, beauty parlour, vegetable, medical store and meat vending at Palin Market and they earned in average of Rs. 40,000 to 2 lakhs in a year.

**Table-10: Over all Participation of SHG Members in Training**

Sl No	Knowledge Based Training			Skill Based Training		
	Title of Training	Attended	%	Title of the Training	Attended	%
1	Concept and Formation of SHG	256	85	Food Processing	55	18
2	Sensitization Training on Socio-Economic Development of Rural Poor	20	6.7	Candle making	20	6
3	Foundation-cum-functional Training on Panchayati Raj System in Arunachal Pradesh	33	11	Farm Training	62	20
4	Identification of Livelihood and Capacity Building	100	33	Bee Keeping	12	4
5	Exposure Visit	15	5	Carpet making	0	0
6	Record Keeping	67	22	Flower making	20	6
7	Orientation course on Establishment of Micro-Enterprises	56	18.7	Handloom and Handicrafts	36	12
8	Capacity building of SHG under NRLM	10	3	Poultry	3	1
9	Interface on Marketing of SHG Products	10	3	Piggery	22	7
10	Awareness on commercial cultivation	10	3	Mushroom	30	10
11	District Level Training of Trainers under SGSY	3	1	Vermi Compost	30	10
12	Block Level Training of Trainers under SGSY	16	5	Fabric Painting	20	6
13	Awareness on Health and Sanitation	230	76.7			

Source: January to June, 2015



From the Table-10, Fig.10.a and Fig.10.b, it was found that some of the members had attended more than one programme and whereas some of them had not attended even a single programme. Less percent of the members had attended in both knowledge and skill based training. In comparison, members had attended more in Knowledge based training. As much as 85 percent and 76 percent had attended in the training on “Formation of SHGs” and Awareness on “Health and Sanitation”. The group was started with deliberations from NGO Animator and Government Officials on Benefits of SHGs and process of formation. Therefore, they had reported to be attended in Concept and Formation of SHGs. Health and Sanitation awareness programme had been conducted from time to time by the Public Health and Engineering Department for all the villagers. Therefore, 76 percent of the members had reported to attend in such campaign in the vicinity. Good numbers of members also reported to attend in Identification of Livelihood and Capacity Building (33%), Record Keeping (22%) and Establishment of Micro-Enterprises (18%).

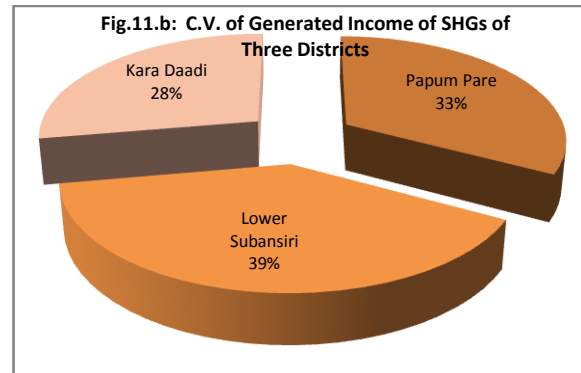
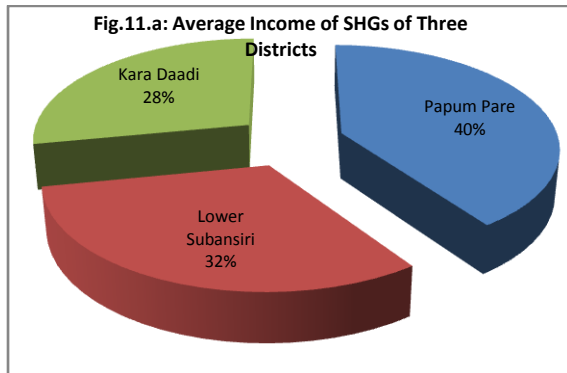
In skill based training, 18% SHG members in food processing, 6% in candle making, 20% in farm training, 4% in bee keeping, 6% in flower making, 12% in Handloom and Handicrafts, 1% in poultry, 7% in piggery, 10% each in Mushroom and Vermi compost and 6% in Fabric painting had attended. But the result was dismay excepting the Farm, piggery and Handlooms & Handicrafts which was adopted by the members. Members could not be successful in adopting the other trade for establishment of their micro-enterprises in the field. Fact of the matter was that Farm, Piggery, Handloom and Handicrafts had been inbuilt traditional practice in the study area. Training on modern technology had built up the confidence of the members to take up these activities for income generation without the fear of loss. Other trade, like candle making, food processing, mushroom, fabric painting, etc. were new to the SHG members. Moreover, shortage of raw materials, finance and lacking in confidence to enter in new arena of business had become the added disadvantages in venturing business in this field.

**Table-11: Overall comparison among Three Districts in regard of Income Generated by the SHGs**

Statistical Indicator	Papum Pare District	Lower Subansiri District	Kara Daadi District
Arithmetic Mean	33000	26000	23000

Standard Deviation (S.D.)	234.95	223.16	138.56
Coefficient of Variation (C.V.)	0.712	0.858	0.602

N.B. Calculated Average Income (Arithmetic Mean) S.D. and C.V. from the income generated by the SHGs of three district



From the Table-11, Fig.11.a and Fig.11.b, we have shown the average incomes and C.V. of three districts. In respect of Average Income of SHGs, we get Kra Daadi < Lower Subansiri < Papumpare. But in respect of C.V., we get Kara Daadi < Papumpare < Lower Subansiri. The Coefficient of Variation (C.V.) is used to compare the uniformity, consistency and variability in two or more different series. The series having greater C.V., it is called to be less uniform, less homogeneous, less consistent or less stable i.e., it has higher degree of variability but the series having lesser coefficient of variation, it is identified as more uniform, more homogeneous, more consistent or more stable i.e., it has less degree of variability. Here, the income generated by the SHGs of Kra Daadi District is more uniform and more stable.



### Dynamics of Self Help Groups

The dynamics of SHG are best described in the following figure-12.

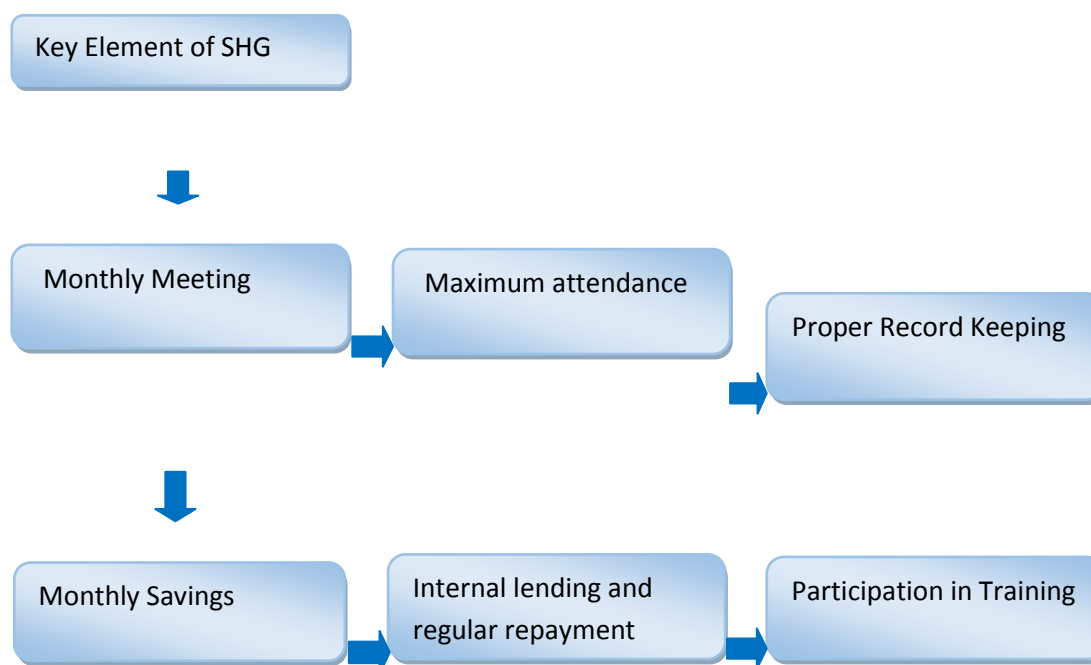
With the above diagrams in Fig.12 we have tried to see the dynamics in regard of structure and functions of SHGs in our study area. SHGs were

kind of member-based micro finance intermediaries inspired by informal financial market actors like moneylenders, collectors, on one hand, and formal actors like micro finance institutions and banks on the other. Self-Help Group may be registered or unregistered. It typically comprises a group of micro entrepreneurs having homogenous social and economic backgrounds; all voluntarily coming together and mutually agreeing to save small sum of money regularly to meet their emergency needs on the basis of mutual help. They pool their resources to become financially stable, taking loans from the money collected and making everybody in that group self-employed. The group members use collective wisdom and peer pressure to ensure proper end-use of credit and timely repayment. This system eliminates the need for collateral and is closely related to that of solidarity lending, widely

used by micro finance institutions. To make the book-keeping simple enough to be handled by the members, flat interest rates are used for most loan calculations (Chatterjee, 2013). If SHGs functions properly than it is immense benefit for the growth and development of members in every aspect which directly and indirectly benefits the entire household members. Mahatma Gandhi said, if you want educate the nation then educate the women first then whole nation will be educated. It truly applies to SHGs approach. Children’s education had been immensely benefited of each sample SHG by provisioning of loan and income during the peak time of school admission to its member. Certain key elements had to function smoothly to achieve the outcome as mentioned above.

These key are as follows:

Figure-13: Key element of SHGs



Meeting is the life line of the Group. Meeting must be conducted at least once in a month and do the above activities in the meeting itself. Participation in training provides the insights for further

activities for socio-economic and political empowerment of the members.

**Table-14: Reasons for Joining SHG Members**

Sl.No	Factors	No. of Respondents	Percentage
1	Survival	123	41
2	Growth and development	280	93
3	Awareness	176	58
4	Motive of earning money	293	97
5	Social Gathering	142	47
6	Social Understanding	121	40
7	Institutional Knowledge	112	37

Source: Field Survey, 2014

From Table-14, while trying to find out the reason for joining in the SHGs, almost all the sample members i.e., 97 percent cited the reason in favour of motive to earn money besides ticking in few other options like survival, growth and development, awareness, social gathering, social understanding and institutional knowledge which came to 41, 93, 58, 47, 40 and 37 percent respectively.

**Findings:** The common phenomena of the group were that the SHG members saved some money monthly and invest the savings into loan within and outside the group to earn interest. The earning was accumulated and disbursed to the members for income generating activities in general and to face the emergency problem in particular. Income generation activities were limited to their inherited talents in agriculture, horticulture, piggery, running shops, etc. Neither any one of the members nor any one of the group took up the manufacturing business. Few SHGs from Papumpare and Lower Suban siri have tried their hands on it but the raw material base is very poor. It is likely to be successful in the future, if the supply chain of raw materials made. Women were increasingly becoming conscious of their existence, their rights and their work situations. Women across the study area were showing an interest to be economically independent. Women were coming forth to the business arena with ideas to start enterprises. They were willing to be inspired by role models- the experience of other women in the business arena. The women were proving their footage in the male dominated business arena. With education and training, the women had gained confidence to do all work, which was the prerogative of man and did it excellently, rather better than men. Over the years, the educated women have become ambitious, acquired experience and basic skills of competency and self-assurance.

**Conclusion:** It is elicited from the above profile that the members of sample SHGs were trying to perform their functions properly. They have turned into human resources in the society. They achieved their economic power to some extent. Dependent for money on their husband has been drastically reduced. Most of the members of SHGs were maintaining their daily household expenditures including the expenditure of education for their



children. They were taking vital part in decision making in the family level. It proved that their level of empowerment was increasing. There was a reasonable change in the life styles of women after becoming member of SHGs. As regards the standard of living of the women respondents it was found that the standard of living of the respondents measured in terms of ownership of consumer durables was satisfactory. The possession of these durables depended much upon the smooth and healthy growth of the business carried by these respondents. The number of earning members in the family influenced the income of the family which in turn to increase the purchasing power of the family.

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