

## **“The Contribution of Self-Help Groups to Rural Women’s Poverty Alleviation” (A Study in Golaghat District of Assam)**

By: Mr. Uddip Khanikar; Assistant Professor;

Department of Sociology; Kamarbandha College

P.O. K.B. Ali: Pin-785625. Golaghat(Assam)

### **Abstract**

The Poverty alleviation of rural women through Self-Help Groups (HSGs) is a strategy that helps to gain control over lives, communities and society. Self-help groups are the process of enabling or authorizing an individual to think, behave, take action and control work in an autonomous way and take control of one’s own destiny. It is also critical concept to ensure the socio-economic development and poverty alleviation of any community. To bring women into the mainstream and encourage their participation in the process of national development has, therefore, been a major concern of the Government. The Ministry of Rural Development has been implementing various programmes to embark as ‘Women’s Component’ to ensure flow of adequate resources for the purpose. The commencement of Self-help groups to the poverty alleviation of rural women is multi-dimensional social process based on micro-finance programme cover a large number of rural women. Self help groups are small voluntary association of women to form a group which is home grown model for poverty alleviation which simultaneously works to empower and improve the lives of its members. The formation of the self-help groups has contributed its members in a significant ways. It improves the economic and employment opportunities for rural women. The self-help groups also help to enhance the quality of status of women in the socio-economic process and poverty alleviation of rural women. The present study is a micro level study may not cover entire concept of poverty alleviation of rural women through SHGs.

**Key words: Autonomous, Destiny, Component, alleviation, multi-dimensional.**

### **Introduction:**

Self-Groups started in India around 1976 to 1983 with a focus on savings and loans to provide financial support to the rural women. Rural development generally refers to the process of improving the quality of life and economic wellbeing of people living in rural areas. On the other hand, majority of population in Assam are living in rural areas. The living condition of rural people of the state is very poor. Thus, under such condition the contribution of self-help groups is remarkable to alleviation of poverty among rural women. Women account for a small proportion of the formal Indian labour force, even though the number of female main workers has grown faster in recent years than that of their male counterparts. When a family recovers

from an economic crisis or attempts to improve its status, women may be kept at home as a demonstration of the family's morality and as a symbol of its financial security. As in

many other countries, working women of all segments of Indian society face various forms of discrimination though most women in India work and contribute to the economy in one form or another. Unemployment is difficult to estimate in India and most unemployment statistics are likely to be underestimated particularly for women. They have evolved into a major global microfinance programme, fostering economic self-sufficiency, decision-making skills, and socio-cultural participation among the rural women. In Indian culture, as in many countries, women are expected to devote virtually all of their time, energy, and earnings to their family. Research has shown that women contribute a higher share of their earnings to the family and are less likely to spend it on themselves. Hence, it is to be observed that the contribution of SHGs can be marked as poverty alleviation of rural women as well as self employability at present era. Self-help groups based on micro-finance programmes cover a large number of women. Microfinance-Wikipedia defines microfinance as "a source of financial services for entrepreneurs and small business lacking access to banking and related services." The two main mechanisms for the delivery of financial services to such clients are--

1. Relationship based banking for individual entrepreneurs and small business.
2. Groups based models, where several entrepreneurs come together to apply for loans and other services as a group.

Microfinance has helped in providing credit to women's in rural areas of Assam who are not able to take up loans from banks. Self-help groups with the help of microfinance have been recognized as an effective tool to combat poverty alleviation of rural women which finally results in development of the nation. The key concepts of SHGs history include their institutionalized through the national Rural Livelihoods Mission (NRLM) and their contribution to women's financial status, social roles and broader community welfare, making them a successful tool for economic and social empowerment. The SHGs movement in North-East India particularly in Assam was started in the late 1999, and thereby in the end of December 2006, one lakh SHGs formed in Assam. The number of SHGs has been increasing significantly up to the right now. Through the participation of rural women in self-help groups have been able to

increase income in a family thereby assist family welfare. Self-help groups have also been able to provide employment opportunity to the rural women as well as to practice new skills of credit and saving habit. Experiments in various developing countries proved that poor can be helped by organizing them into small self-help groups. To touch poverty alleviation, women are the best agents as practitioners. Therefore, the Government of Assam, having realized the power and potential of self-help groups for alleviating poverty, has started mobilizing the poor rural women into self-help groups. This is the outstanding phenomenon where Government has taken NGOs and started mobilizing poor into self-help groups. A more recent development in case of self-help groups is the inclusion of Assam Mukhyamantri Mahila Udyamita Abhiyan, launched on

January 7, 2024, by the Assam Government aims to start to empower rural women members through SHGs to start their own business, providing benefits like:

- a. Seed capital: Rs. 10,000 for business setup
- b. Subsidized Loan: Rs. 25,000 with 50 Percent being a non-refundable government subsidy
- c. Financial Assistance: Rs. 50,000 in the third year for eligible women members.

Above schemes has been implemented by the Panchayat & Rural Development Department, Assam, with the goal of promoting entrepreneurship among SHGs women members and helping them to earn a minimum annual income of Rs. 1, 00,000.

### **Objectives of the Study:**

1. To examine the contribution of self-help groups for alleviation of poverty of rural women.
2. To examine the awareness of the SHGs members in various spheres.
3. To examine the social change among rural women through SHGs.

### **Methodology:**

The present study is descriptive in nature. The data has been collected through primary and secondary sources. Primary data has been collected on the basis of field observation through interview schedules, observation and case study. Secondary data has been collected through official records, books, census report and also from the members of the Self-Help Groups Meta AI etc.;

**Universe of the Study:** The universe of the proposed study covers Golaghat District of Assam.

**Sample:** Purposive sampling method has been adopted for collecting data from 10 self-help groups out of 30 Self-help groups under Kamarbandha Gaon Panchayat.

### **Discussion and Finding:**

#### **Educational Status:**

As far as the educational level concerned the SHGs members under Kamarbandha Gaon Panchayat are found that majority of them are literate and only 20% members are found illiterate. Among them 40% members are Passed H.S. L.C Examination, 30% members are Higher Secondary Examination passed and 9% members are graduate level only 1% member is found Post Graduate. Therefore, high literacy rate has been reported in the HSGs which increased decision-making powers among them.

**Economic Status:**

Globalization has affected the poor and illiterate people of the world particularly the rural people and small farmers having small land holdings. Moreover, many of them have no access to information and other facilities that can help to enhance their participation in economic development, improve their productivity, income and living conditions, but the emergence of SHGs has paved the poor and illiterate women in rural areas to uplifts their standard of living. Any poverty reduction and national development effort in the developing countries cannot be scudded without participation of women in economic field. It has been found in the observation

that the self-help groups collect an amount of Rs. 20 to Rs. 100 per month from their members as their saving and investment. The collected amount is deposited in Bank and Rs. 5 is deposited in VO (Village organization) as membership. The amount assisted by banks, Block offices are added in their Self-help group's saving Bank account. Group members are sharing their deposited amount among them in a rate of very small interest Rs. 1% to 2% as their requirement. The VO is on the other hand, given loan to the SHGs with a small rate of interest as their requirement. In this way SHGs are found self assisted in the observation. Moreover, regarding the facilities given by the government and other NGOs it was found that all SHGs members availed training facilities through Block and NGOs. They availed government loan facilities and utilized it for income generating activities such as Broiler firm, Goat keeping, Weaving, Turmeric cultivation etc.; (It can be mentioned that Golaghat Nirman Mohila Gut who conducted an Anganwadi Workers Training Centre since 2009 to 2015. Now, that Gut is running many projects under central and State Government. That Gut is a Simple example to expose the power of SHGs).

**Standard of Living:**

As a matter of involvement village women in self-help groups their standard of living has been found satisfactory. The awareness of the SHGs members in various spheres has been found progressive. It was observed that all HSGs members are sound in social, political, cultural, and economic prospect. All the HSGs members are capable of operating bank account, Smart phone, Computer in their needed. Saving and investment habits have been increased among them due to the growth of SHGs as a result the quality and quantity of women's in banking habit can be accounted. But it is ironically remarkable that many a times due to misunderstanding in some activities done by a few SHGs members happened quarrel like situation in the day of monthly sited group meeting. One of the most significant observation found that some SHGs faces problem in transaction in some nationalized banks because of language where non Assamese officers are working. Of course, the members of SHGs are found aware about their political rights and they cast their votes according to their own choice. The members are also aware of economic generating activities.

**Finding and conclusion:**

The SHGs have played significant role for alleviation of poverty among rural women. Since the year 2000, a large number of village people particularly women have been mobilized into Self-help groups in the areas under Podumoni Block Golaghat District of Assam. There are 20 villages under Kamarbandha Gaon Panchayat covering a vast area. 30 SHGs have been contributing more to build the social capital among the poor village people in Kamarbandha gaon Panchayat. The SHGs under the area of the study are able to organize the poor and marginalized to come together to solve their individual problems. About 60% of the sample of rural women are considerably higher than that of targeted 40%. Over 30% women are belonging to OBC/MOBC community. 70% beneficiaries are found to be educated. Over 60% rural women are capable of reading and writing. It has been observed that the SHGs are involved in various economic generating activities. It is also observed that the SHGs under kamarbandha Gaon Panchayat has been running one Grocery cum stationary shop in Kanimohal Chariali. All SHGs are availing market facilities through various exhibition cum Mela organized by the Government and NGOs in different seasonal festivals. Regarding the contribution of SHGs for empowering rural women has brought about positive impact in the attitude of rural people for devolving the habits of saving and investments. The SHGs members are self reliable which is the sign of rural development. The economic activities that have undertaken by the Block through SHGs are significant. The women are highly interested in such schemes viz., A. Agriculture and its mechanization B. Animal Husbandry. C. Sericulture. D. Weaving. E. Mushroom cultivation. F. Other includes transportation of agricultural product, food preservation and tent house. SHGs movement has created a market for traditional product. The traditional food items and handloom production have got a market in the present day. The awareness of the members, government facilities and smooth functioning of the SHGs can create far reaching change for empowerment of rural women. The level of literacy is a positive factor which brings awareness among the members of rural areas. On the basis of the results shown in this study it can be determined that the rural development process is related with the awareness of the people and efficient functioning of SHGs. It may be suggested that more awareness campaign and training programmes should be organized in the remote areas to uplift the members of rural women. It has been found that the entire Panchayat is highly potential for agriculture and allied activities. Yet the interior traditional localities have been observed to be poor than that of street linked forward areas. Most of the factors responsible for their poor performance relate to delivery system. Ad-holism in planning and implementation process, inadequate reach delivery system, lack of modernization in agriculture, lack of active organization, lack of understanding lack of proper training, delay process of Bankers, lack of federation in SHGs, managerial inefficiency, lack of accounting knowledge etc.,. Despite the shortcomings the block managed to show a new dimension in comparison to other development schemes. It is to be observed that the SHGs system is gainful for empowering rural women where there is strong organization with advanced communication and up to date tools. Though seem to be late, it is high time to test self-employment through SHGs among rural women. To make SHGs fruitful and eradicate poverty it is

really the time for all classes of societies including Panchayats, NGO's, Clubs and even the centre of religious institutions (like Namghar, Church, Majzid) came forward to act as financial or at least non financial intermediaries between SHGs and Banks.

### **Conclusion:**

In conclusion, it is to be determined that the contribution of SHGs for alleviation poverty among rural women's is remarkable at modern age. The formation of SHGs can create opportunities for the poor people to participate into the various economic activities. As a result of the formation of SHGs, the women under kamarbandha Gaon Panchayat could crate far reaching change in reducing of poverty. In other words, it can be concluded that participation of women in this micro credit programmes provides a pivotal contribution towards the development of self-confidence, self-dependent in the society which helps eradication of poverty at the root itself.

### **References:**

1. **Bhattacharya, Joyshankar, "Contribution to SHGs to pursuit of women empowerment-A capability approach.**
2. **Gundappa, M (2014),"Microfinance and empowerment of women: An impact study of self-help groups."Vol. IV, Issue-8, Sept-2014, pg no-1-7.**
3. **Gangaiah, c. Nagaraj B. and Naidu, (2006):"Impact of self-help Group on Income and empowerment-A Case Study", Kurukshetra.**
4. **Jain, S.C. (1985): Rural Development Institution, Rawat Publication, Jaipur.**
5. **Singh. Katar (2009): Rural Development principles, policies and Management, SAGE Publication India Pvt. Ltd.**
6. **Bhushan Arvind, Transforming Rural Development (2012) Published by Ankit Publishing House and printed at Tarun Offset Printers, Maujpur. Delhi-110053.**
7. **Women's Studies in India, by-Mary E. John-Published by Penguin Group.**
8. **Umashamkar, Deepti(20006), "Women Empowerment: Effect of participation in self-help groups. PGPP dissertation, IIM, Bangalore, pg no-1-4, 23-27.**
9. **Manomani, I.K, & Prabhakaran V.P (2011), "Women empowerment through self-help groups in Konilangulam panchayat.**
10. **Lekhi R.K. & Choudhury R.K (2004): "Economic of Indian (Including Assam) and North-East".**