

**Empowerment of Women through Self Help Groups in  
the Context of Rural Development of Arunachal  
Pradesh: An Empirical Study**

**A Thesis Submitted in Partial Fulfilment of the requirement  
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in

**GENDER AND DEVELOPMENT STUDIES**

By

**LIKHA KIRAN KABAK**

**Under the Supervision**

**Dr. G. Uma (Internal Supervisor) and**

**Dr. R.K. Mandal (External Supervisor)**



**School of Gender and Development Studies (SOGDS),  
Indira Gandhi National Open University (IGNOU),  
Maidan Garhi, New Delhi – 110068  
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## **Chapter-VII**

### **Integrated Analysis, Summary, Findings, Policy Prescriptions and Conclusion**

The report of sub-committee on Women's Role in Planned Economy (WRPE) of 1939, asserts that question of women's individual progress becomes a question of the nation's progress. The nation state emerged as central actor during the colonial period. WRPE writes: "All restrictions which prove a handicap to the free and full development of woman's personality shall be abolished" (WRPE, 219). The Committee, while viewing the comprehensive report on status of women during that period outlined the desirable changes in the role of gender requisite for nation's progress. The necessity for improvement in status of woman has been recognized all over the world as vital strategies for national progress and development. Towards Equality report, human development report and studies such as the status of women in India has been assessed through various indicators such as health status of women, maternal mortality rate, literacy level, sex ratio, position of women in social structure, income and expenditure, representation and participation at traditional local institutions and political decision making bodies.

Arunachal Pradesh is a tribal state where traditional system of governance prevails wherein women have to face many disadvantages because of a gender biased social structure. It is a male dominated patriarchal society where victimization of women in the name of customary laws is one of the serious problems particularly in study area. Women do not enjoy equity with men in social, economic, political and cultural aspects of life. Economic dependence and prejudiced societal patterns render the women powerless.

The Self Help Group (SHG) is considered as key for empowering the women. By organizing poor women into groups followed by series of trainings, women can come out from the situations of social and economic helplessness to some extent. If they continue to participate actively in the group activities at least for a year then they can learn to make a choice on options available to them for their development. The Group becomes a collective voice to assert their rights and source of strength for each other to bring changes in their position in the society as well as changes in attitude of the society towards women. Self-Help Group is playing key

role in bringing the changes in reducing gender disparity in socio-economic, cultural and political arena in rural areas. Three districts were selected out of 20 (then) districts of the State to find out the impact of SHGs on the empowerment of women. These three districts are Papumpare, Lower Subansiri and Kurung Kumey (now Kra Daadi district has been carved out from this district) situated in the western part of the state. By keeping the content and meaning of the analyzed review of literature, it is observed that there is no systematic study on empowerment of women through SHG in Arunachal Pradesh. The principal purpose of this study is to make an attempt to fill this gap identified in the vital area of social science research through review of literature. In order to fulfill the gap, the present study is based on the following objectives:

**Objectives of the Study:** In context of the study, the following objectives were undertaken:

4. To study the accessibility of credit from Banks and SHGs.
5. To investigate the impact of SHGs on socio-economic, political empowerment of its members.
6. Attempt to find out key issues of Sustainability and the role played by External agencies in promoting SHGs in the State.

**Hypotheses:** The study proposes the following hypotheses

3. The SHGs are significantly linked with the banks and groups in terms of opening account and accessing credit.
4. SHG activities have significantly contributed to the empowerment of its members in different dimensions.

### **Proving the hypotheses**

The study is empirical in nature and based on field study. Facts and figures used to analyze the issues raised and incorporated in different chapters were collected from primary as well as secondary sources. The combination of methods such as formal and informal discussions, structured interviews questionnaires, focus group discussion and personal interviews with the SHG members, promoting institutions such as NGO, Block Officials, Panchayati Raj Institutions (PRIs), Gaon Buras (Village Head) and others was used to collect the data. The changes in attitude amongst SHG members, attitude of community, awareness level, increase in income

and savings, employment status, access to credit, quality of diet, housing structure and functional literacy, children's education, ability in taking decisions and participation in political decision, etc. were explored as indicators of empowerment of members of SHGs. Moreover, an extensive literature review, a series of discussions and a pilot visit are instrumental in preparing the findings.

Multi-stage cluster random sampling method was adopted for selection of 10 functional SHGs as target group from each district. Approximately 100 households of 10 SHGs from each district are selected for intensive study to achieve the proposed objectives of the study. The total number of households and total number of SHGs of three districts under study is 300 households ( $100 \times 3$ ) and 30 SHGs ( $10 \times 3$ ) respectively.

Different statistical tools like mean, measure of dispersion, co-efficient of variation are considered. Co-efficient of variation has been used to compare the savings and internal lending among the three districts. For the empowerment of women through SHGs six Dimensions were considered to understand the impact of SHGs. These dimensions were Economic, Social, Political, Personal, Familial and Institutional & Organisational empowerment. Empowerment of women is measured by using the formulae of Women Empowerment Index (WEI).

### **Overall Findings:**

In chapter III, the present study viewed the Socio-Economic Profile (Background) of SHGs and its members, the study found that:

1. **Age:** Age group of the respondents revealed that more than one third (50 percent) of the respondents between the age group of 31 to 40 years.
2. **Literacy:** Illiteracy was found as main hindrance for the success of SHG. The members expressed difficulty in writing the record due to lack of continuous practice and poor quality education in government school.
3. **Family Size:** 89 members reported that their total family members were 2 to 5 and living as nuclear family.
4. **Marital Status:** As nearly as 94 percent of the members were married. Only 4 percent were unmarried and 2 percent were widow.
5. **Education:** Children's education was immensely benefited from each model SHG by provisioning of loan and income during the peak time of children's school admission.

6. **Meeting:** Meetings were held once in a month by almost all groups. Attendance in the meeting was reported to be regular.
7. **Reasons to join SHGs:** 97 percent revealed the reason for joining in SHG was to avail the economic support and opportunities.
8. Average annual income of Lower Subansiri district was the highest followed by Papum Pare and then Kra Daadi.
9. The income generated by the SHGs of Kra Daadi district was more uniform and more stable in comparison to those of Papum Pare and Lower Subansiri.
10. Some members were engaged in multi activities like agriculture, occasional and seasonal business simultaneously.
11. Agriculture was the most common livelihood of SHG members. It was practiced by 89 percent in Lower Subansiri followed by 79 percent in Kra Daadi and 52 percent in Papum Pare. With the growing popularity of large cardamom, almost all the members of Lower Subansiri and Kra Daadi have cardamom cultivation.
12. Individual Activity wise average income per year was highest in medical store business having 25 percent of overall total income in Kra Daadi district followed by poultry at Lower Subansiri district and then vegetable and meat vending at Papumpare.
13. The common activities of group were savings and loan to members as well as non-members to earn interest. The earning was accumulated and disbursed to the members annually.

**Training:** It was found that some of the members had attended more than one training programme and but some of them had not attended even a single training programme. As much as 85 percent and 76 percent had attended in the training on „Formation of SHGs“ and Awareness on „Health and Sanitation“ respectively. Good number of members also reported that they had attended in Identification of Livelihood and Capacity Building (33 percent), Record Keeping (22 percent), Establishment of Micro-Enterprises (18 percent) and Home Stay (13 percent). Very less percentage of members had attended in both knowledge and skill based training programme. In skill based training, 18 percent SHG members in food processing, 6 percent in candle making, 20 percent in farm training, 4 percent in bee keeping, 12 percent in handloom

and handicrafts, 13 percent in poultry, 7 percent in piggery, 10 percent each in mushroom and vermin- compost and 6 percent each in dry flower making, fabric painting and tailoring and 10 percent in catering service.. The positive outcome of the knowledge and Skill based training had helped them to improve their economic activities and the level of income.

**In Chapter IV**, with regards to accessibility of credits from SHG and banks, the present study found that the progress of the SHG-Bank linkage programme at the national and regional levels has grown at a tremendous pace during last two decades and emerged as the most prominent tool for delivering micro-finance services to the SHGs. Commercial banks, regional rural banks, cooperative banks and NGOs have contributed significantly towards the rapid spread of the programme largely in the southern region.

NABARD has a promising vision to cover maximum poor households in the rural hinterland under SHG Bank-Linkage Programme. SBLP saving led model of microfinance appears to be a successful empowerment tool for women in India. However, in region-wise distribution of SHGs, North Eastern region is having the lowest record with 4 percent only. In region-wise disbursement of loans to SHGs, the North Eastern Region received only 1 percent during the year 2014-15, which is lowest amongst the regions. North Eastern States have huge potential which needs to be tapped on priority basis. Arunachal Pradesh alone has huge potential for formation of 8046 SHGs.

In terms of internal lending, Papum Pare being the highest receiver of loan of Rs.15, 60,000/- from the bank, has the highest amount of Rs.13, 33,100/- Lower Subansiri has the second highest internal lending of Rs.8,07,400/- and loan of Rs. 3,00,000/- followed by Kra Daadi with internal lending of Rs.5,50,000/- and loan of Rs.1,13,000/- It indicates that loan disbursed by Banks and internal lending activities of the group was closely interrelated and interlinked.

The Data on bank-linkage of sample SHGs in the field revealed that 10 per cent of SHGs were yet to link with the bank. Whereas, 46.7 percent per cent of SHGs had received the loans from banks and only one SHG was assisted under SGSY. None of the SHGs were found to have defaulted on of Bank Loan. Out of the 30 groups, 28 groups had saving linked bank account but only 13 groups had credit linked.

In purpose of loan, it was revealed that 99.5 per cent of the members had taken the loan for their children's education. Very few members of the group availed loan for the purpose of establishment of micro-enterprises such as grocery shop, piggery, handloom, agriculture, etc. The rate of saving has been increasing at a slow rate, because of the higher incremental consumption expenditure.

**In Chapter V** the study analyses the Impact of SHGs on empowerment of women in six dimensions namely Economic, Social, Political, Personal, Familial, Institutional and Organizational. Based on the collected data, the study reveals the following results.

With regard to **Economic Empowerment** after joining the SHG group, dependency on husband had reduced drastically. 80 percent of SHG members responded that their dependency on husband for money had reduced to a large extent. The respondents said that the knowledge about earning avenues, ownership on income, control over resources/household assets and knowledge on micro-enterprises and saving habits had been improved greatly but it was found that only limited members were having perennial business like grocery shop, garments shop, handloom and handicrafts throughout the year. These members have full control over their business. It has also been observed that the power to control over micro-enterprises is not fully developed yet. It was also noted that SHG members had less authority to spend their money by themselves even after increase of income and saving. Members preferred to spend the income for family than themselves. They were in control of the increased income but preferred to spend it for family.

In **Social Empowerment**, 81 percent of the respondents revealed that freedom to attend social function had highly increased after joining SHGs. Generally, attending social functions was not restricted for women but men folk played dominant leadership role and consider women as main workforce of the social event. Rapid changes were seen in mobility. The success of these Self-Help Groups has not only improved the economic status of the women but their social status has also been changing gradually. SHGs develop human dignity among the poor women. For rural development, SHGs certainly are playing as an agent for the overall development of the community. In regards to enjoying equal freedom, though it was found to be improving but women were not enjoying equal rights to attend in the

traditional decision making institutions for settlement of disputes, marriage related matters, inter village disputes, land disputes, etc. like men in their community. It appears to be the domain of the men folk.

As for Political **Empowerment**, percentage of women leadership in Gram Panchayat level was higher than Anchal and Zilla Parishad level ranging from 38 to 55 percent. But in Anchal Samiti and Zilla Parishad level, percentages were in between 33 to 42. Women were not given equal space in higher tier where power to take decision were relatively higher. In study area, 65 percent of respondents were highly connected with political party. The members seem to be conscious on voting rights, participation in election and awareness on the role of political leaders were in increasing trend after joining the SHGs. But again the member's participation in village planning and developmental activities was in dismal proportion. SHGs were not actively participating in Social Audit and Gram Sabha. They were also not member of any Gram Panchayat Development Committee which indicates that SHGs were not invited in decision making process of the village institutions. Only 12 percent of SHG members elected as representative of Panchayat were participating in the development meeting.

Generally, women are considered as unreliable and weak in decision making. Women are expected to be submissive and continue to play the subordinate role in the male dominated tribal patriarchal society. Even after implementation of reservation policy as per the 73<sup>rd</sup> Amendment Act and subsequent Arunachal Pradesh Panchayati Raj Act 1997 following the principle of gender equality since 2003, women leadership is critically by the male counterpart. Moreover, multiple burdens of domestic chores, viz; children, husband, agriculture and horticulture field in addition to societal prejudice prevents women from taking up the leadership role effectively and seriously.

**With regard to Personal Empowerment**, 65 per cent of members agreed that they have improved their personality. They claimed that their attitude and confidence level have improved. Some of the members also got recognized in the community because of their work after joining SHGs. The members have been equipped with the ability to handle the problems, better self-awareness, interaction with outsiders and were able to make an informed decision. Their dignity has

enhanced by being members of SHG groups. But illiteracy still is a hindrance for their further growth and development especially in taking up the leadership responsibility even within the group.

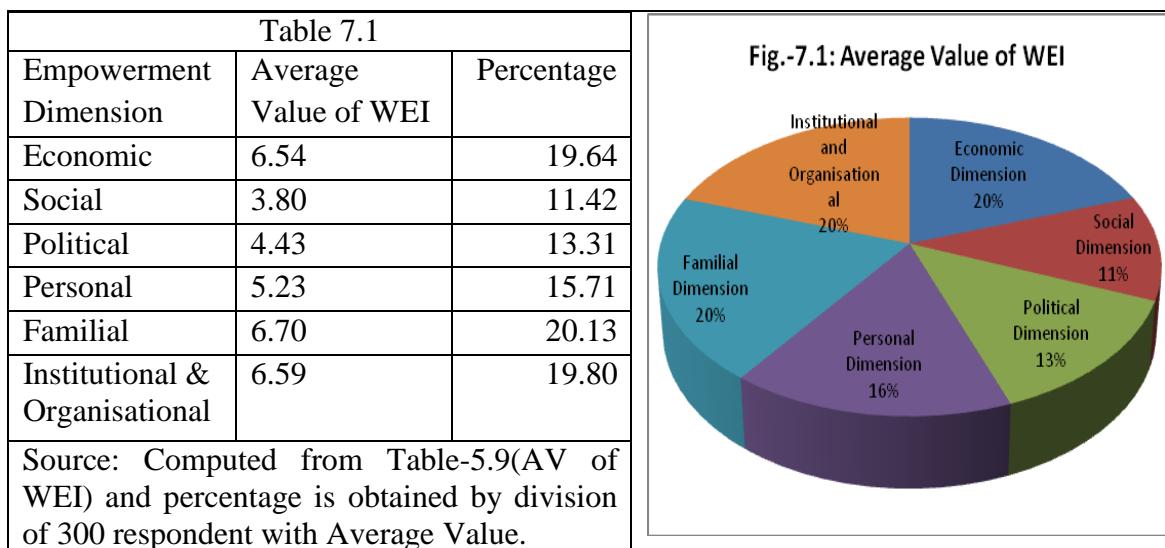
**In Familial Empowerment**, 62 percent of the members admitted that their consciousness about better life had been increased after joining SHG. The members also acknowledged that their knowledge about children's education, health and hygiene has been improving a lot. 41 percent and 38 percent felt that their knowledge on water borne diseases had highly and moderately increased. The members with longer association with SHG institution have become more conscious about their health and preferred treatment in private hospital. Most of the members showed preference for child birth at government or private hospital rather than at home. Decision making capacity has increased in the matter of children's education, marriage, family planning, etc. It was informed that parents were working hard to provide better education to the children in the study area. When their savings were not sufficient to pay off the required fees during admission time in the school, they had taken loan from SHGs or disbursed the income of the group during the time of school admission. They repaid it out of the income earned from the seasonal agricultural and horticultural produce. SHGs are playing tremendous role in education sectors in rural areas of the State.

In view of **Empowerment in Institutional and Organizational Dimension**, most of the members had very limited information about the government programmes and facilities. It was indicated in data that empowerment level was quite low in gender strategic issues. Sample SHGs have not realized or developed the capacity to challenge gender biased institutional structure.

Again in the question of awareness on public utility services such as office of Gram Panchayat/PHE/Post Office/Bank/Police Station, it was indicated that the demand for these facilities were increasing in a steady manner. This indicates that SHGs in the study area were not strong and vibrant enough to stand as a strong organization.

To show the improvement in six dimension of women empowerment, the average value of Women Empowerment Index (WEI) with its percentage per dimension is presented in the Table-7.1 and Fig.-7.1 below.

**Table-7.1: Average Empowerment Index of SHG Members in Various Dimensions**



### Other Findings

**Income and Savings of SHG Members:** It was revealed that income and saving have been increased after joining the SHGs. The maximum percentage of members of the groups had shifted themselves to higher income and saving level with their alternative earning sources.

**Expenditure Pattern of SHG Members:** It was found that with the increase in income, expenditure of the members in basic needs like Food, Housing, Clothing, and Health and particularly in education have had also increased.

**Expenditure on Other Heads:** Expenditure for relatives, travelling, and recreation, mobile, purchase of household assets had increased. Higher amount of expenditure was seen for mobile phone and purchasing of household items.

**Investment Pattern of SHG Members:** The study reveals that with the increased income, maximum SHG members had started investing in Beads (local ornaments), Gold, Silver, Life Insurance Policies, Bank Deposits, Postal Savings, Share and Mutual Funds. The possession of number of domestic animals like Mithun, Cow, Pig, Poultry and Goat had also increased significantly.

**In Chapter VI,** the present study explored the Role of NGOs, Government and other Functionaries in Promoting SHGs and viewed the problems faced by SHG.

### **Role of NGOs, Government Functionaries and other Agencies in Promotions of SHGs:**

NGOs like Itanagar Diocesan Empowerment Association (IDEA), SARRA (Society for Advancement & Recreation in Rural Areas), Anma Integrated Development Association (AIDA), NN Charitable, Action Aid Society of Arunachal (AASA), Future Generation Arunachal (FGA), World Vision(WV), Rural Development Society (RDS) has played a key role in formation, motivation, training of SHGs and linking them with Banks. In the Government sector, DRDA, BDO, Sericulture, Horticulture, ICDS and Arunachal State Rural Livelihood Mission (ArSRLM) has played roles besides NABARD and SIRD&PR in promoting the SHGs. It was revealed that Government Department has supported 41 percent of sample SHGs while NABARD and NGO supported 5 percent and 54 percent respectively.

The study divided the problems into social, managerial, production, marketing, infrastructural, availing finance, personal and some other general problems. The problems“ concerning the study has been presented one by one below:

**Social Problems:** 64 percent of the SHG members reported that society was dominated by male. Consequently, 89 and 72 percent respectively reported that they were engaged maximum time in doing tedious household work, nursing of children, subsistence agriculture and horticulture field works, lack of resources at their hand which they consider as a social constraint, to explore business opportunities and participate in village development activities. Illiteracy was also the bottleneck in performance of SHGs. It was found that 85 percent of the members were below the standard of basic elementary education.

**Managerial Problems:** Members had a clear idea about the objectives of the group but they faced problems in managing the group. The habit of absenteeism and not attending group meetings, irregularity in savings and conducting group meeting were major problems of the groups. Conflict of interest amongst the members was found a threat for sustainability of the group. Moreover, loan was also not

properly utilized. Only 40 percent of the members informed that their loan was properly utilized.

**Production Problems:** Inadequate supply of labour was a main constraint for expansion of their agricultural field to increase the income. With regard to off farm income generating activities, lack of building and raw materials, inadequate technical support and lack of skills, and literacy were found as are major hurdle. In addition, the absence of requisite infrastructure and transportation facilities were the main bottle neck for establishment and expansion of micro enterprises in the village or in the nearby locality.

**Marketing and Infrastructural Problem:** 67 percent on an average were facing the problems in marketing of their produce because of transportation and communication bottleneck and the lack of storage facilities. They felt the absence of well-knit and well defined marketing channel, permanent market and lacking in marketing skills, innovations or up-gradation of design & brand was expressed by all the members. For agriculture and horticulture produce, easy and low cost transportation is required on regular basis. In contrast, these facilities were not available for them. Private transportation charges such an exorbitant rate that their profit from the sale becomes very minimal, which discourages the group from expansion of income generating activities.

**Problem for Availing Finance:** 63.67 percent revealed that loan was not getting sanctioned. Even, if it was sanctioned, cumbersome procedures were required to follow which unduly take very long time. Because of low educational background, they found it difficult to comply with these formalities. The data revealed that, the members faced problems in depositing collateral security and margin money because of their poor background and zero resource bases. 40 percent responded that the bank charges high rate of interest, 77.67 percent found difficulty in reaching e- bank because of remoteness of their villages. Moreover, 63.7 percent revealed that bank officials were not cooperative.

**Problem for Availing Government Assistance:** Majority of the members opined that government assistance was not adequate. The process was complicated and time consuming process to obtain assistance from the Government. There was lack of adequate training facilities at nearby villages. Moreover, they felt that the

trainings were not practical oriented and not according to the need of the members. It was expressed that Government policies were not favorable for socio-economic empowerment of the members of SHGs. They also felt the presence of exploitative and dishonest advisory organizations. As much as 74 percent responded that political interference in sanctioning of loan was prevalent. Cooperation and support from the government officials were also lacking.

**Personal Problem:** 12 percent members expressed the lack of coordination in the groups which led to withdrawal of some members. 12 percent members still found it difficult to choose suitable income Generating Activities (IGAs) due to lack of requisite skill. Functional Literacy was the main ingredients for proper functioning of SHGs. 66.33 per cent considered illiteracy as main hurdle for their growth. 63 percent revealed that lack of awareness on proper functioning of SHGs still existed. 20.67 percent felt politics was involved in group activities.

**Some Other General Problems:** 73.67 percent revealed the existence of regional disparity. 40.33 percent felt the low demand of the SHG products because of lower consumption capacity of the rural people because villagers themselves are engaged in producing the same crops. 86.33 percent revealed the unavailability of financial assistance to venture out in the income generating activities. 44.67 percent revealed the problems with regard to lack of trained staff for their business. 66 percent felt the absence of promoting agencies. Another major setback of SHGs was the politics during election time. 66.33 percent reported that the activity of SHGs got hampered during the period of election due to involvement in the election campaigning. Differences were created because of their differences in the choice of leadership. Such differences were used to go into such an extent sometimes that they found it difficult to work in the same group and hence act as a threat in sustenance of the group.

### **Suggestions regarding Removal of Constraints**

SHGs programme may be the only realistic approach for empowerment of grassroots women. It has the potential to pave the way for overall development of every sectors viz; education, agriculture, horticulture, tourism, etc., Therefore, intensive handholding support is pre-requisite from Government, Organisations, Banks, Agencies and NGOs. The following measures in Policy Decision, Facilities,

Support Services and Training are suggested to strengthen SHGs vis-à-vis self-employment opportunities in rural areas.

### **Policy Decision**

1. Federation of SHGs may be formed at Gram Panchayat, Anchal Samiti and Zilla Parishad level. Inclusion of Federation leader in development or advisory committees in three tiers of panchayats may be made mandatory to facilitate SHGs to participate in planning and implementation of development plan.
2. Income generating activities of SHGs should be based on the available local resources so that raw material is not an obstacle to run the business. In any case, when there is a shortage or non-availability of raw materials, agencies like SRLM, cooperative agricultural societies, marketing societies, etc. should come forward to help the SHGs. These agencies may create a link with the SHGs through federations for delivery of their mandated services.
3. Conducive working relation should be encouraged among Government, Banks, NGOs and other SHG promoting agencies to strengthen SHGs. Grievance Redresses cell may be opened in offices of SHG promoting institutions.
4. Ensure participation of women SHG members in social issues and developmental activities in the village.
5. Proper planning for monitoring and evaluation of SHG's activities may be framed.
6. Non-Government Organizations (NGOs) played a vital role in promotions of SHGs in rural areas where government machineries are not effective and efficient. This has been proved in the present study. Therefore, promotion of SHGs and their Capacity building, skill training, marketing of products should be entrusted to NGOs also. Mode of such engagement may be properly worked out diligently.
7. With a view to promote the habit of thrift and savings among the members, starting a co-operative thrift society by all the groups at federation level would be helpful in sustaining of SHGs.
8. Simplified procedures and time bound fast track system may be followed in providing any kind of assistance including financial assistance to the SHGs.
9. Government should encourage research activities to find out the feasible and the profitable income generating activities suitable for women SHG.

## **Facilities**

1. Provide proper backward and forward linkages facilities for establishment of micro-enterprises and marketing of SHG products with continued support and mentoring to the SHG for effective implementation of their activities.
2. SHG product collection and marketing centre should be set up at each district initially. This may increase the income generating activities of SHGs. Provisions of quality testing and checking of all the product may also be made in such centre to ensure marketability of the product.
3. Illiteracy was the main constraint for success of SHGs. To address this problem, adult education and continuing education facilities should be integrated with government schools in the village and made mandatory for SHGs to join in such school prior to availing any kind of facilities and assistance from the government, bank and federation.
4. Provision of well-equipped crèche facility in every village.
5. Introduction of public transport at village level on regular basis.
6. Maintenance of village roads in regular interval.

## **Training**

1. Training on preparation of livelihood plan should be imparted to SHGs. This is necessary because SHG members will learn to explore the micro economic opportunities for themselves.
2. Need based Skill Development Training should be imparted to all willing members to facilitate establishment of business after the training. Business Management Training should be provided before disbursing production loan to SHG or its members.
3. Capacity Building Training should be imparted at regular interval.
4. Exposure visits to relatively successful group ventures will help SHGs to perceive knowledge, experience and expertise.
5. To rectify the socio-personal problems, government as well as voluntary organizations should conduct programme on Capacity Building and awareness on Social Evils in regular intervals. Training in legal literacy, rights and gender awareness is necessary for socio-political empowerment of women.

6. Media have a crucial role to play in strengthening of SHGs and thereby rural development.
7. IEC materials such as charts, posters, calendars and wallpapers should be used in the village by the Self Help Group Promoting Institutions (SHPIs) for easy understanding of concept of the programmes.
8. Wide publicity of training programmes in advance would help SHGs to join in the training programmes.

### **Financing**

Microfinance is considered as main tool for economic empowerment. The concept of Microfinance laid the stone for the birth on concept of SHGs and for the success of SHG movement, microfinance system has to stand parallel with it. Microfinance through SHGs has reached the un-reached rural poor. The Microfinance has paved the way for financial accessibility to the rural poor through SHGs. Hence, there is a need for evolving an informal micro financing through formal financial institutions to reach the unreached villagers. The government can play a vital role in promotions of Micro Finance for the SHGs by encouraging Micro Financial Institutions (MFIS) to come forward and extend adequate financial accessibility to the SHGs. Production loan from the Bank helps women to achieve economic empowerment. This Economic empowerment has given confidence to take decision and face challenges in life. It also improves general welfare of family and community. In these aspects, following suggestions have emerged from the study to strengthen microfinance initiatives for women empowerment:

1. Grading of SHGs at least once in a year by designated MFIs and Bank Branches to extend loan to the eligible SHGs in a time bound manner.
2. Simplification of the loaning procedure and documentation.
3. Delay in sanctioning of loans should be streamlined by introducing proper supervision and monitoring system. Discriminations by the official to SHGs may be seriously viewed to curb such an erring behaviour.
4. Reducing interest rate at affordable level in view of rural constraint in marketing of produce.
5. Flexibility in loan repayment to suit changes in their occupational structure and varying levels of income and savings.

6. SHG's saving may be converted into swift account to provide fixed deposit interest rate benefits on their savings.
7. Government should monitor the MFIs and its agency in a regular interval to facilitate their working through structured regulatory framework.
8. Options for consumption and production loan should be made available for Groups as well as members to avoid diversion of loan and thereby proper utilization of loan. For that purpose, bank may provide loan format which should be easy to fill up by the SHG members.
9. Increase the number of bank branches in rural and semi-urban areas, encourage the linkages of NGOs/SHG with banks and encourage best practices to ensure that this network reaches the poorest of the poor in the most affordable manner. To make this happen, communication, co-operation and integration amongst the various participants and players in micro-finance (right from the banks to the ultimate borrower) is of utmost importance (Lyngdoh, 2010).
10. Structuring stronger and feasible micro finance through expanding the savings pool, better borrowing-lending policies and guidelines, participative decision-making and management, regular meeting and reporting, designing and packaging, technological support and awareness provided to the beneficiaries, etc.(Lyngdoh, 2010).
11. Active intervention by district administration, professional bodies and voluntary organizations is precondition for the successful conception of micro enterprises through SHGs in terms of skill training, designing products, providing new technology and access to market.

### **Suggestions for SHGs**

1. The complete success of SHG depends on efficient management of records such as attendance records, loan-ledger, savings-ledger, resolution and meeting records. Very low level of literacy is found to be main hindrance in effective functioning of SHGs. For proper record keeping as well as understanding, and sustenance of SHGs, literacy is critical. Therefore, SHG should take at least elementary education from the school teachers or any volunteer in the village. Group leader should ensure that all the members are attending the arranged class regularly to increase the educational level of each member.

2. Loan to outside members should be restricted. Group corpus should rotate within the group as internal lending at minimum rate of interest. Overlapping and dual memberships should be restricted and mobility should not be encouraged between the groups.
3. Group should devise own management system and stick to it by each member for better functioning of its group. Every decision making process should follow the participatory mechanism.
4. The group members should understand that SHG is not only the means of taking easy loan; rather it is the school of learning which will help them to join in mainstream socio-economic and political development.
5. Group leader should ensure nomination of each member for attending trainings.
6. Income of the group may be disbursed quarterly to keep the interest of group member in group activities. There should be better understanding and cooperation among the members of SHGs.
7. Meetings and Seminars may be organized where the members will get a chance to exchange their views and learn mutually.

### **Limitations of the Study**

The facts presented are based on the information provided and discussion held with the SHG members and their leaders through field survey. The study interprets and discusses the results of the investigation focused on Empowerment of Women through Self Help Group in the context of Rural Development of Arunachal Pradesh. In carrying out the present study, several problems were faced related to lack of availability of data and of persons concerned, the following limitations are evidenced.

1. While collecting the data in regard to age of the respondents, the researcher faced some difficulty in getting the exact age of the respondents. Maximum respondents have no authenticated documents of birth. Under these circumstances, the researcher had to depend on the oral information revealed by the respondents or on their physical appearance.
2. Some of the SHGs' records keeping were not up to date.

5. The respondents were not in a position to provide their own exact income as well as of their group. Income per year could not be recorded properly. Therefore, average or rounded income was considered through discussion.
6. It was difficult to get all members of SHGs at a time to convince the groups for interview and focus group discussion (FGD). Initially, most of the groups were not willing to sit for the discussion. Therefore, FGD could not be conducted with some of the group. Only Interview schedule was filled up.
7. Since a survey is a time consuming process, taking time out for tedious journey to identify the performing groups from the sparsely populated hill slopes to collect the extensive data in the field was difficult for the researcher because of heavy burden of office and household responsibility. Therefore, missed out information in the field was collected later through telephonically.
8. Because of illiteracy most of the members could not fill up the questionnaires. It was filled up by the researcher on behalf of them through focus group discussion. Moreover, some SHG members who could not be available in focus group discussion and for group photographs did not fill up the interview schedule properly. The schedule was filled through group leader later.
9. The researcher is not able to access recent secondary data related SHGs. The researcher find difficult to cross check the same.
10. It is a micro level study covering only limited self-help groups of three districts in Arunachal Pradesh. Thus the findings and suggestions given are based on the limited coverage of the state. Therefore, the study cannot be generalized for the entire SHGs of the State and country on the basis of the current findings.

### **Conclusion**

Empowerment is the result of involvement in participatory learning process. One cannot expect women to transform overnight to see them as empowered. India adopted empowerment framework in its policies and programmes from 1999 onwards only. Accordingly, it implemented various programmes to make women empowered. Theoretically feminists perceived and developed framework to measure empowerment. The empowerment framework was supported by international agencies like World Bank and United Nations. In the 1995 Human Development Report (HDR) titled „Gender and Human Development introduced two concepts

namely Gender Empowerment Measure (GEM) and Gender-related Development Index (GDI) to rank the country based on their performance in gender equality. GDI concentrate on the same variable like Human Development Index (HDI), but focuses on inequality between men and women as well as an average achievement of all people together (Human Development Report, 1995). UN also introduced GEM first time in 1995. It has been assessed based on three variables namely women's participation in political decision making, their access to professional opportunities and earning power. In the present study, indicators to measure empowerment have widened by including six dimensions of empowerment through SHGs, viz; economic, political, social & cultural, personal, familial and Institutional & Organizational. These dimensions were chosen after thorough review of literature in the context of SHGs and women empowerment in view of living condition of women in rural areas.

In first part of the schedule, socio economic profile is included and date collected from the selected samples and analyzed. Women between the age group of 31-40 years became part of the SHG movement in the state. Even though more than 50 percent of the respondents are young but literacy level of the respondents are low. It is important to get a minimum level of educated to understand the significance of overall empowerment to become change-agents at various levels in the society. SHG members need to save money and deposit the same regularly in the bank. The banking procedure and accounting process are complicated and time consuming. Level of education and literacy were significant factors to do the same efficiently. The socio economic profile further revealed that SHG members attend the meetings regularly with minimal absenteeism problems, but the study was not able to authenticate whether the members share and discuss gender related experiences at various levels. Various studies proved that the group acts as social capital. Whenever any members in the group face any kinds of discrimination and violence based on gender, the group act as supporting structure. The study completely mapped the training attended by the SHG members. It was reported that gender aspects were included in contents of these training to sensitize the members.

Further, the study revealed that one has to involve in certain learning process to achieve the empowerment. SHGs are considered as best school of learning and doing certain activities to achieve empowerment. SHG activities like pooling

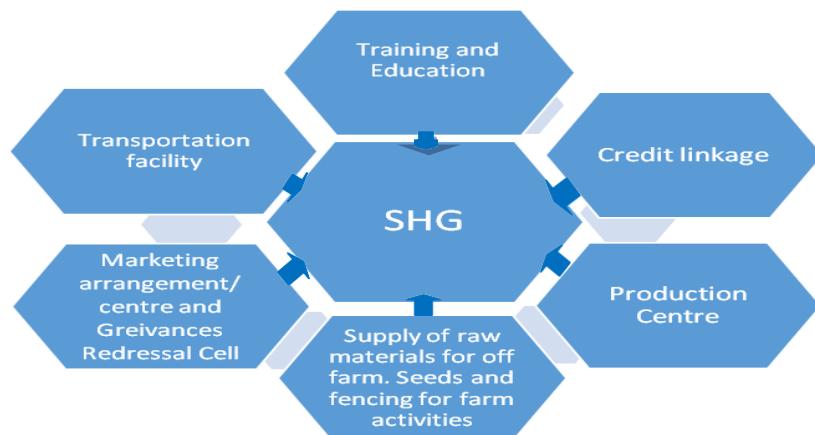
resources, lending the resource to each other, meeting every month, participative decision making, solidarity for each other in the time of crisis, etc., teach women about dignified life and income generating activities. The study found that the group certainly acted as supporting structure for women at various levels. It has been proven that Self-help Group is a best strategy associated with micro-finance to empower rural women. It has made rural women to involve in various investment activities and hence, inculcated confidence to engage in income generating activities. As stated earlier, economic empowerment is the first step towards overall empowerment. According to the empowerment framework, access and control over resources is a significant factor for empowerment. The present study too proved the same.

The study finds that SHGs have ventured into various income generating activities because of their increasing knowledge in the avenues. SHGs are considered as means to save money, earn income, access credit, access to government assistance and most importantly to work and attend as a team in agricultural field and social function. They have found the solidarity amongst themselves in a group. They have the potential to become the agents of change for rural transformation. This empirical study on socio-economic empowerment through SHGs from 22 villages under chosen seven CD blocks of Papumpare, Lower Subansiri and Kra Daadi District confirms the various research findings that SHGs have significant role in socio-economic empowerment of women SHGs. It has been observed in the study that economic and social vulnerability have been reduced considerably by SHGs. But the study also found discouraging facts such as lack of support services to the SHGs. Training, finance, infrastructure and marketing support were found to be very poor. SHGs were finding difficult to step up to micro enterprise development stage in absence of such basic facilities. To sustain the SHGs, the government at different levels has to intervene not only as service provider but also as facilitator and promoter. To accelerate the penetration of SHG's activity in rural areas and to alleviate the poverty, the pro-active actions by the Government is an urgent need of the hour. In the era of neo-liberal economic policy, the State government is committed to promote and support the growth of the industries in the state and in this direction the state government is in the process of formulating new Investor Friendly Industrial Policy,

as the state has immense potential for various industries. So far, State has adopted three consecutive industrial policies, 1991, 2008 and 2001 to encourage the establishment of medium and small scale industries in the state but the number of establishment of industries is insignificant because of which the job opportunities in the private sector is very limited. In this situation, it is significant for the State to encourage SHGs to do economic activities in a sustainable manner to create employment locally by using locally available resources in a sustainable manner.

To conclude, in view of the present scenario and status of SHGs in the study area, following diagram depicts the support service requirement of SHGs to step up in next level of activities and thereby reaching another level of empowerment. Strong on time backward and forward linkages and institutional support mechanism is required for SHGs to go further.

**Diagram 7.1: Backward and Forward Linkages for SHGs**



It was found in findings from the field study suggests that SHGs were lacking in handholding support. Production, demand and supply chain were not organized. Their activities were limited to saving, meeting, farming and doing occasional small businesses. Therefore, social mobilization followed by various kinds of training, basic elementary education, credit linkage, production centre, raw materials, markets, demands and transport facility on continues basis were required to enhance and sustain the activities of SHGs. In the absence of strong backward-forward chains for economic activities, SHGs were found weak in the study area. Survival of sample SHGs in the long run was also very doubtful. In absence of these factors, SHGs were found very vulnerable to any kind of internal or external threat.

Continued support and motivation was required to push them to the next level of activities and hence achieve higher level of empowerment.

### **Implications of this Research**

The findings of the research might be useful for the trainers, planners, policy makers, scholars and Self Help Group promoting institutions to frame appropriate policies and programmes for larger development by strengthening the movements of SHG in the State. It may also be helpful for taking remedial measures of the problem prevailing in the State for the sustenance of SHG. Self-employment schemes through SHGs may be very much fruitful bearing. SHGs provide the benefits of economies of scale, cost effective alternative for different financial services, collective learning, democratic and participatory culture provide firm base and platform for dialogue and co-operation.

### **Scope for Further Research**

The present study highlights on the views of women SHGs of only three districts. It is a micro study. The scholar has taken only seven Community Development (CD) Blocks as sample study area and considered ten SHGs to study in each district. The study may be extended to other districts to get more reliability of the result and to make it more comprehensive and for generalization. Again the study may be done in other places outside of the State. Studies related to other issues of women SHG may also be undertaken to find out idea for more comprehensive result. If this similar research is carried out in all the districts of Arunachal Pradesh, i.e., 25 districts and consider more number of SHGs with more indicators, it may give more accurate and concrete result. The researcher hopes that the study would provide a new direction and scope for future researchers.

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