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## Economic improvement of rural women through self-help group (SHG) a study in Jorhat district, Assam, India

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### Abstract

Prof Muhammad Yunus of Bangladesh, a renowned economist and civil society leader who was awarded the Nobel Peace Prize in 2006 for founding the Grameen Bank and pioneering the concepts of microcredit and microfinance, is the 'father of developing Self-help Group concept' of economically poor echelons of the society. Self-help Groups (SHGs) are informal associations of people who come together to improve their living conditions through income-generating activities (IGAs), particularly rural people in general and women in particular. This research paper has highlighted how the self-help group (SHG) has facilitated the economic improvement of rural women in the Jorhat district of Assam. The study was conducted in December 2023 at Borphaidya Gohain Gaon, Central Jorhat Block, Jorhat district, Assam, India. For this purpose, members of Rupali SHG were contacted, and a Group Discussion was carried out. The SHG was established in 2007 with 12 women of the Other Backward Caste (OBC) community. The Government of Assam supported the SHG through the scheme Vistarita Kanaklata Mahila Sabalikaran Yojana (VKMSY): The research article is purely based on primary data. Also, secondary data have been included here, which have been collected from the Chief Executive Office, Zilla Parishad, Jorhat district, Assam.

**Keywords:** Economic improvement, Jorhat, rural, SHG, and women empowerment

### Introduction

This research article has highlighted how the members of a self-help group (SHG) benefitted after forming SHG. The SHG helped them for the economic improvement of rural women of the Jorhat district of Assam, and in turn, they felt empowered.

A few lines about Jorhat are presented here, collected from [wikipedia.org/wiki/](https://en.wikipedia.org/wiki/Jorhat). Jorhat is an administrative district of Assam situated in the central part of the Brahmaputra Valley, and its headquarters is also Jorhat City. The district is bounded by Majuli (the largest river island in the world) on the north, Nagaland state on the south, Sivasagar on the east, and Golaghat on the west. To the north of the district, Brahmaputra forms the largest riverine island in the world. The administrative seat is in Jorhat city.

Jorhat district is spread over an area of 2,851 square kilometres. According to the 2011 census, Jorhat district had a population of 1,092,256 with a population density of 383 persons per square kilometre. Based on the language, the census data 2011 reveals that 88.65 percent of the population spoke Assamese, 3.77 percent Bengali, 3.04 percent Hindi, and 1.63 percent Mising (a tribal community of Assam). Many religious festivals are held in Jorhat, but the most popular is the Tea Festival.

Prof. Muhammad Yunus, 'Father of SHG Concept' through his Grameen Bank, had proved that if below poverty line (BPL)/economically backward women with reasonable amounts are provided for income generation activities (IGAs), they would not only earn income but repay within the stipulated time. The readers know that Prof Muhammad Yunus of Bangladesh was awarded the Nobel Peace Prize in 2006 for founding the Grameen Bank and pioneering the concepts of microcredit and microfinance. Is the 'father of developing the Self-help Group concept' of economically poor echelons of the society.

Anyway, the author has done studies on SHGs across India and abroad and observed women members' earnings were spent on family welfare, and they felt empowered also as they 'need not ask money from their husbands.' According to the Food and Agriculture Organization of

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the United Nations (FAO), SHG is “an informal association of individuals formed to accomplish certain objectives.” Further, “An association whose members agree to work together for the common objective. Donors and the Governments organize SHGs as a means of development” (FAO, 1992) [2].

### **Women empowerment: Meaning**

Women empowerment means the emancipation of women from the vicious grips of social, economic, political, caste, and gender-based discrimination. It means granting women the freedom to make life choices. Women empowerment does not mean ‘deifying women.’ Rather, it means replacing patriarchy with parity. Women empowerment may be Individual Rights, Social Empowerment, Educational Empowerment, Economic and occupational empowerment, Legal Women Empowerment, and Political Women Empowerment ([.iaspaper.net/women-empowerment](http://iaspaper.net/women-empowerment)). According to Swami Vivekananda, “There is no chance for the welfare of the world unless the condition of women is improved. It is not possible for a bird to fly on only one wing. There is no hope for that family or country where there is no estimation of women, where they live in sadness. For this reason, they have to be raised first” ([www.onebillionrising.org/share/swamy-vivekananda](http://www.onebillionrising.org/share/swamy-vivekananda)).

It may also be worth mentioning that “Women Empowerment’ was one of the primary objectives of the eight Millennium Development Goals. According to the UNDP Report, much progress has been made towards women’s and girls’ equality in education, employment, and political representation, but many gaps remain. “Since 1995, when the Beijing Platform for Action on women’s empowerment was adopted, the global average proportion of women in parliament has nearly doubled, growing from 11 percent in 1995 to 22 percent in January 2015. Women in parliament have gained ground in nearly 90 percent of the 174 countries for which data are available for 1995-2015. The average proportion of women in parliament has nearly doubled over the past 20 years, but still, only one in five members is female (<https://www.undp.org>).

According to the UNDP Report, 2013, “Unless people can participate meaningfully in the events and processes that shape their lives, national human development paths will be neither desirable nor sustainable. People should be able to influence policymaking and results, and young people in particular should be able to look forward to greater economic opportunities and political participation and accountability”. It is important to highlight that UNFPA, formally named the United Nations Population Fund, was created in 1969, the same year the United Nations General Assembly declared “parents have the exclusive right to determine freely and responsibly the number and spacing of their children.” UNFPA states, “Education is one of the most important means of empowering women with the knowledge, skills, and self-confidence necessary to participate fully in the development process. More than 40 years ago, the Universal Declaration of Human Rights asserted that everyone has the right to education”. Also, UNFPA has stated that countries should act to empower women and should take steps to eliminate inequalities between men and women as soon as possible by:

a) Establishing mechanisms for women's equal participation and equitable representation at all levels of

the political process and public life in each community and society and enabling women to articulate their concerns and needs;

- b) Promoting the fulfillment of women's potential through education, skill development, and employment, giving paramount importance to the elimination of poverty, illiteracy and ill health among women;
- c) Eliminating all practices that discriminate against women; assisting women to establish and realize their rights, including those that relate to reproductive and sexual health;
- d) Adopting appropriate measures to improve women's ability to earn income beyond traditional occupations, achieve economic self-reliance, and ensure women's equal access to the labour market and social security systems;
- e) Eliminating violence against women;
- f) Eliminating discriminatory practices by employers against women, such as those based on proof of contraceptive use or pregnancy status;
- g) Making it possible, through laws, regulations, and other appropriate measures, for women to combine the roles of child-bearing, breast-feeding and child-rearing with participation in the workforce.

The Millennium Declaration of 2000 has declared to promote gender equality and the empowerment of women as effective ways to combat poverty, hunger, and disease and to stimulate development that is truly sustainable ([www.unfpa.org/resources/issue-7-women-empowerment](http://www.unfpa.org/resources/issue-7-women-empowerment)).

Prof. Muhammad Yunus, Nobel Laureate, is of the opinion that “If the goals of economic development include improved standards of living, removal of poverty, access to dignified employment and reduction in inequality, then it is quite natural to start with women. They constitute the majority of the poor, the under-employed, and the economically and socially disadvantaged. And since they were closer to the children, women were also our key to the future of Bangladesh. Studies undertaken by Grameen, comparing how male borrowers use their loans versus female borrowers, consistently confirm this analysis. So, gradually, we focus almost exclusively on lending to women. This was not easy. The first and most formidable opposition came from the husbands, next to the mullahs. Then the professional people, and even government officials.”

All the above discussions reveal the fact that for the development of any society, region, or country, the development of women, whether economically or socially, is sine qua non. To support the SHGs of Assam the Government of Assam has launched one Scheme known as Vistarita Kanaklata Mahila Sabalikiran Yojana (VKMSY).

### **Vistarita Kanaklata mahila sabalikiran yojana (VKMSY)**

To improve the economic condition of the SHG members, Vistarita Kanaklata Mahila Sabalikiran Yojana (VKMSY) has been launched in Assam under the umbrella of the Assam State Rural Livelihoods Mission (ASRLP).

The objective is to reduce the level of poverty by creating awareness, social nebulization, and organizing the rural poor women into Self Help Groups. It was launched from 2020 - 21. Under the Scheme, members of SHGs improve their economic condition by taking up income-generating activities. All-eligible SHGs are provided up to Rs.25,000

as a Revolving Fund (one-time grant) under the scheme. Also, a one-time grant-in-aid of Rs.50,000 is provided to eligible SHGs as a capital subsidy on bank loans.

The data provided by the Assam State Rural Livelihoods Mission (ASRLP), Jorhat District, revealed the fact that the total number of SHGs formed in Jorhat since inception to 2023-24 (up to December 15, 2023) was 10,559. As per the norm, in each SHG, there should be a minimum of 10 members from one household, and the maximum should be 20. So, it is evident from the data provided by the ASRLP that all together, 118,499 rural households were under the umbrella of SHGs, which is an encouraging sign.

### Study area and methodology

The study was conducted in December 2023 at Borphaidya Gohain Gaon, Central Jorhat Block, Jorhat district, Assam, India. The research article is purely based on primary data. Also, secondary data have been included here, which have been collected from the Chief Executive Office, Zilla Parishad, Jorhat district, Assam. The study is based on PRA methodology (earlier used to call Participatory Rural Appraisal, now PRA is used). Under PRA, the Group Discussion tool was followed where SHG members, villagers, and officials were present, so the scope of suppressing facts and figures was ruled out. The Self-Help Group (SHG), namely Rupali SHG, was established in 2007 with 12 women of the Other Backward Caste (OBC) category.

### Field situation:

The Self-Help Group (SHG), namely Rupali SHG, was established in 2007 with 12 women from the Other Backward Caste (OBC) community. All had a school education minimum of eight standards and a maximum of 10 passes.

Initially, savings per member per month was Rs. 20, which later on was enhanced to Rs. 100 per month per member. All the members had agricultural land, and based on land holdings, they can be termed as marginal farmers.

The SHG was provided with a Revolving Fund of Rs. 15,000 (one-time grant) and Rs. 50,000 as a Vistarita Karnataka Mahila Sabalakaran (VKMS) Scheme (Grant). In addition, the SHG from time to time, was provided with bank loans. Initially, a bank loan of Rs. 50,000, then Rs. One lakh, and lastly Rs. five lakh (August 2022 repayment of which was going on when the study was conducted) was given to the SHG.

To get an idea about the activities of SHG members, four members were interviewed. Each case is presented here so that readers can get an idea of this regard.

**Case 1:** Raju Dowrah (40 years, ninth-pass) had three sons and one daughter. The daughter was married, and all three sons were either in business or working. She borrowed four times from the SHG's fund, which is known as Corpus Fund - Rs. 50,000, Rs. 20,000, Rs. 50,000, and Rs. 150,000. She had agricultural land, and in addition to other household expenditures, loan amounts were used to develop a lemon garden. She had a weaving loom, pigs and jersey cows (4), chickens, and ducks. With all these activities, she informed me that her average monthly income was Rs. 40,000.

**Case 2:** Dipali Borghain (45 years, 10-pass) was a happy person as her two sons, after completing college education

were employed. One is working in Andhra Pradesh, and the other is in Jorhat. She borrowed three times- Rs. 10,000, Rs. 20,000, and Rs. 5,000. The family had less than two acres of agricultural land, so she used the money for agricultural development and purchased ducks, chickens, goats, and cows. The family income was around Rs. 25,000 per month. In this study, her sons' incomes were not taken into account.

**Case 3:** Rinjumoni Dowrah (31 Years, Ninth-pass) was blessed with two sons – one son was a hotel management student in Chennai, and another son was a student in degree first year at a local college. She borrowed two times – Rs. 15,000 on each occasion; thus, the total amount of borrowing was Rs. 30,000. In addition to purchasing cows, chickens, and ducks, she used the amount for agricultural land (1 acre of agricultural land). Her monthly family income was around Rs. 20, 000.

**Case 4:** The case of Nikhamoni Borgohain (28 years, 11-pass) is a different type, as within two years of her marriage husband left her and married another lady. When she was interviewed, she informed that at 28 years of age (interview time), she was self-dependent as her only son, 11 years old, attended school and was good at studying. She stayed at her mother's house and had agricultural land of one acre. She borrowed from the SHG's Corpus Fund two times Rs 20,000 and Rs.30,000 and purchased a cow, chickens, and goats. And earnings were sufficient to maintain her son. It is noteworthy to mention that because of SHG, she got strength and settled in her life and without agony, she passed her time.

### Conclusion

It is evident from the discussion that all the SHG members were doing well in their respective activities. They were involved in many activities like dairy, goat rearing, poultry, etc.

Also, the above discussion reveals that because of the SHG approach, the economic conditions and income of rural women improved, and thus, they were contributing to the welfare of the families. Because of the SHG approach, loans were meticulously used for the benefit of the family to fulfil home needs or for income generation activities. In the case of Nikhamoni Borgohain, it is evident that SHG helped her to lead a normal life in spite of her husband leaving her. She never felt lonely as regularly SHG members helped her. Also noteworthy to mention that the Assam Government's support through Vistarita Kanaklata Mahila Sabalakaran Yojana (VKMSY) helped the SHG. So, strengthening SHGs in rural Assam is sine qua non.

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