



Impact of Self-Help Groups on Economic Empowerment of Women in Assam

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Abstract

The empowerment of women is crucial for the development of a nation. Evidence across nations suggests that the empowerment of rural women can be achieved through the provision of micro-credit to Self-Help Group (SHG) members. This study was undertaken to examine the effectiveness of SHGs in economic empowerment of women in Assam. The study was based on primary data collected from Baksa district of Assam through interview of SHG member beneficiaries. A total of 100 members from 50 groups of two blocks (25 SHGs from each block) formed the sample size of the study. The study revealed that majority of the respondents belongs to the age group of 25 to 45 and have educational qualification of primary education and most of them are married and major portion of the respondents have 4 to 6 dependents. A number of income generating activities were undertaken by the members after joining SHGs. The result showed positive change in indicators of economic empowerment, viz., income, employment and savings after joining the SHG. The calculated value of Wilcoxon signed Ranks Test for the economic indicators were significant. It revealed that majority of the respondent's income, employment days and amount of savings increased in the post-SHG situation as compared to pre-SHG situation. Thus the study concluded that SHGs have been playing a vital role in the empowerment of rural women in the study area.

Key Word: SHGs, Women Empowerment, Income, Employment, Savings, Baksa.

I. Introduction: The empowerment of women is crucial for the economic development of a nation and building a base for social change. In order to improve the socio-economic conditions of the population of any country, it has become prerequisite to empower women by enhancing and ensuring their role to the optimal level. The development strategies could no longer achieve their targeted goal which neglects the need for participation and contribution of women to the society. Only when women are considered as equal partners in progress with men, all round development and harmonious growth of any country would be possible. Thus, emancipation of women is a pre-requisite for nation's economic development and social upliftment and without the provision of equal economic and social opportunities to women, emancipation cannot truly happen. Bringing women into the mainstream of development is one of the major challenges for developing countries like India.

The idea of women empowerment was introduced at the World women's conference in 1985. In India, the empowering women was focused in the eight five year plan (1992-1997) at the grassroots level and empowering women through translating the recently adopted National Policy for Empowerment of Women (2001) into action and ensuring survival, protection and development of women and children through right based approach was taken care in tenth five year plan (2002-2007). The Government of India has launched and implemented a number of schemes towards poverty alleviation and women empowerment but it was observed that women in rural areas especially from the poor families could not be benefitted. This led to the country to launch a mother programme called Swarna-Jayanti Gram Swarozgar Yojana (SGSY) which was based on a group approach. Here, the rural poor especially women were organized into Self- Help Groups (SHGs) to enable them to take up viable economic activities on their own on a sustained basis with the support from bank loans and government subsidy.

SHGs are either registered or unregistered 'affinity group' of about ten to twenty people from a homogenous class, who come together for addressing their socio economic problems. They start with saving and not with credit and make voluntary thrift on a regular basis and use this pooled resource to make small interest bearing loans to their members. The vision of the formation of SHG is to empower rural poor women for overall development of the country. The main object of the SHG approach is providing access to credit in the context of poverty reduction and women empowerment. The SHGs are meant for empowerment of women through focusing on women of below the poverty line to improve their status in the family as well as in the society and to create better awareness in social issues among rural people. They are conceived as a right kind of strategy aiming at creating awareness among rural women about their inner strengths, increasing the feeling of self and collective efficacy, developing skills for personal and interpersonal relations, social change and transformation. The empowering women through SHGs would confer benefit not only to the individual women but also for the family and community as a whole through collective action for development.

II. The Profile of Study Area: The geographical area selected for the study is Baksa district of Assam. The district is one of the relatively backward districts within the state of Assam. The district covers an area of 2007 kilometers which support a total population of 9.54 lakh out of which 9.42 lakh live in rural areas and only 0.12 lakh in urban areas. The rate of literacy rate for Baksa district is 70.53 percent with male literacy rate 78.55 percent and female literacy rate 62.23 percent in the district. The district consists of 9 scheduled commercial bank branches, 8 regional rural bank branches, 18 post offices, and 125 sub-post offices only. People often need to depend on informal source of moneylenders who charge exorbitant rate of interest ranging from Rs 120-240 per annum. The people of the district are basically dependent on agriculture and allied sector, which represents the absolute backwardness of the district in terms of industrialization. The absence of industries and huge damage to the agriculture sector by flood time to time causes unemployment problem. Government agencies and many NGOs are promoting SHGs to face the challenges of unemployment and empowerment of women through SBLP scheme pursued under SGSY. The SBLP scheme in this area has a very high prospect through providing gainful self-employment opportunity to the poor especially to the women. Though the programme started late in Assam, it has got momentum in recent years. The socio-economic background of the district provides strong case for the purposeful selection of the district to evaluate the impact of SHGs on women economic empowerment.

III. Importance of the Study: In India, women constitute around half of the total population and thus very important human resource for the nation's development. The participation of women in the country's GDP is as low as 8 percent though their work participation was 19.7 percent in 1981. As per census 2001, the female labour force participation rated in their total population is 25.7 percent and it is comparatively higher at 31 percent in rural area as compared to 11.6 percent in urban areas. They are engaged in different sectors and that the invisible work of housewives contributed by them estimated to be nearly one-third of India's GNP. Over the last few decades, women have come forward to establish their own enterprises. It is well recognised that the status of women is intimately associated with its economic position which depends on opportunities for participation in productive activities. Entrepreneurship development of among women is therefore seen as one of the important tools to remove unemployment and gender discriminations for poverty alleviation in India.

The microfinance movement through SHGs across India is to make women manage themselves for social mobilization, to create self confidence, rise their self esteem through participation in socio-economic and political life. The SHGs programme generally targets the rural poor, particularly the women, who are often discriminated against not only by institutions but also with their own family. The poor are faced with the challenge of acquiring credit to get loans to engage in various productive activities, without necessary collateral required by formal financial institutions. The provision of loans to women may then serve the dual goals of increasing household assets and empowering women. Microfinance institutions have become increasingly popular as a way to mobilize poor communities through the provision of loans through SHGs formed and loans are allocated to members based on group solidarity instead of formal collateral. The SHG-Bank linkage programme in Assam though started quite late compared to other states in India, the programme has taken momentum in recent years. But the distribution of SHGs over Assam is uneven. So, the study about SHGs in the chronically backward district like Baksa of Assam assumes significance. Further, no specific study is

conducted focusing on empowerment of women through SHGs in Baksa district of Assam. Hence, the present study is undertaken.

The present study is beneficial to a large number of rural people in Assam. It also helps the government and non-government agencies, SHG members and leaders in identifying the role of SHGs in empowering women and takes policy-measures towards SHGs in Assam and ultimately leads to the holistic development of women vis-à-vis of the society.

IV. The Concept of Empowerment: The notion of empowerment as a multidimensional process can be interpreted in different ways such as to express self-strength, control, self-power, self-reliance, own choice, life of dignity in accordance with one's values, capable of fighting for one's rights, independence, own decision making, being free, awakening and capacity building. It enables an individual to realize their full identity, capacity, capability and powers in every walk of life. It also means escalating one's authority and control over the resources and decision making that affects their lives and also freeing them from the constraints of irrelevant customs, beliefs and practices. Empowerment as defined by Kabeer, (2001), implies "the expansion in people's ability to make strategic life choices in a context where this ability was previously denied to them." In the broadest sense, it implies expansion of freedom of choice and action. The ability to exercise choices incorporates three interrelated dimensions: 'resources' which include access as well as future claims to both material and social resources; 'agency' which includes the process of decision-making, negotiation, deception and manipulation; and 'achievement' which refers to the well-being outcomes of choice. It has been stated that empowerment is more closely related to the people who are powerless due to some socio-economic and cultural barriers in the society of which they are part of it (Kabeer, 1999). The choices of these powerless or poor people are extremely limited due to lack of resources (e.g. land) and lack of better negotiations with the network of formal and informal institutions. Since this powerlessness is embedded in the institutional relations, the empowerment as a concept should involve the process whereby women become able to organize themselves to increase their own self-reliance, to assert their independent right to make choices and to control resources which will assist in challenging and eliminating their own subordinations. Therefore, there is an obligation to create opportunities with the help of microfinance programme along with provision of credit where credit can be used in a meaning way and hence there is an urgent need to organize poor women in small groups to empower them socially and economically.

V. Review of Literature: Number of studies has been conducted to perceive the relationship between microfinance and economic empowerment by various authors. Mayoux (1996) explained that microfinance programmes are assumed to bring out virtuous spirals by assisting poor women in giving access to credit (Mayoux, 2002). Women's access to credit and savings will help them improve economic status which will further help them to take a bigger role in decision making and help them to optimize their own and family level welfare. Access to credit and savings will result into improved skills, mobility, and knowledge and support network. Collective action will lead to wider social and political movement. At the same time, it is also stated that empowerment may not be a natural outcome of any microfinance programme. One has to positively design a programme which leads to empowerment of women. This statement has been supported by Goetz and Gupta, (1996), by concluding that microfinance programme can also increase intra household tensions due to higher burden of repayment. Pitt and Khandker, (1995), states that merely access to credit may not empower women, if they do not have control over it. A few empirical studies also reveal the role and importance of microfinance on women's economic empowerment. Based on the empirical study of microfinance projects of seven countries, Hulme and Mosey (1996) conclude that the programmes have been successful in reducing the poverty level of upper and middle segment of poor class. While assessing the impact of microfinance programme on SHG members pre- and post-SHG situation, Puhazhendhi & Satya Sai, (2000) found positive impact of the programme on economic and social empowerment of the rural poor. A study by Cheston and Kuhn (2002) states that though microfinance does not address all the barriers to women empowerment; it has shown a positive impact on some of the indicators such as increased self-confidence and self-esteem and participation in decision making in girl's education, family planning, improved status and gender relations in their houses, etc. The impact assessment studies of about seven microfinance programme in India conducted by ICICI Bank, (2002), in collaboration with UNDP concluded that though these projects could not reach to the

poorest of the poor, they have become successful in building savings, reducing migration in search of employment, bringing gender issues on the common platform and reducing economic vulnerability and dependence on moneylenders (ICICI and UNDP, 2002). In another study of microfinance projects in India by Sharma, (2005), have demonstrated positive changes in asset position, increase in savings, increase in employment and increase in consumption expenditure and reduction in feminization of poverty. In their study, Mula and Sarkar, (2013), revealed a significant positive change in the economic variables of self-income, employment generation, asset building, productive investment, savings which lead to socio-economic upliftment of rural women folk and empowered them particularly in the sphere of child education, leadership and entrepreneurship ability, technology adoption, decision making, etc. The study by Swain, (2007), observed that a lot needs to change to make women really empowered and concluded that the sustainable impact on empowerment of women by minimalist microfinance programme could be difficult to achieve. Basargekar, (2009), concluded that utilisation of loan provided through the microfinance programme for micro entrepreneurship or productive purposes is positively associated with the duration of association with SHGs and has a strong bearing on the economic as well as overall empowerment of women. Savita and Jyothi, (2012), have found a significant difference in economic position before and after joining as a member of SHG and the programme benefitted greatly to the highly educated women. A study carried out by Bansal, (2011), in Punjab, India showed that microfinance programmes were successful to diversify the economic activities in rural areas and made participants engaged there which increased income of the individual as well as household and also empowered women economically, socially, psychologically and politically. Malathi and Vijayarani, (2012), have found a significant difference in economic empowerment of the SHG members in post-SHG situation when compared with pre-SHG situation. The study also suggested a positive association between the level of education and empowerment. Savita and Polepeddi, (2012), observed a significant role of micro-credit in socio-economic empowerment of SHG members and that microcredit utilized for productive purposes improves socio-economic empowerment of the members. In his study, Singh, (2013), have shown that SHG members were able to contribute towards their family income and also gained other benefits like skill upgradation, better understanding, banking operations, better leadership and communication skills. Reji, (2013), have found the significant differences of empowerment in terms of income as well as number of employment days after joining SHG when compared with the before joining the group and that income and employment were higher in post-SHG situation. Thus, it is apparent from the review of literature that SHGs are playing vital role in the progress of women empowerment.

VI. Economic empowerment of Women: Economic empowerment of women is one of the most important parameters of the overall empowerment which includes social, psychological and political aspects of empowerment. Economic empowerment in terms of increased income, self-employment and thrift creation may result in women's ability to influence or make decision, increased self confidence, better status and role in household etc. It emphasises on breaking of vicious circle of poverty, reduction in vulnerability, enhancement in resources available for utilisation and diversification towards higher income activities. It is expected that microfinance provided to women SHGs for promoting of productive activities or entrepreneurship will bring out positive impact on asset base owned by women, monthly income, savings, decision making ability related to enterprises, reduction in the vulnerability in case of emergencies and improvement in the monthly consumption level and family welfare (Basargekar, 2009). In this context, Kabeer, (2005), apparently stated that while access to financial services can and does make important contributions to the economic productivity but improvement in income generating activity may not naturally and directly lead to overall economic empowerment of poor women. So, it is equally important that the women have full control over the resources such as income, loan and savings and have decision making ability and power to use them for pursuing their own interests. Thus, it is also equally important that increase in income generating ability should get translated in important goals such as control over income and profits and using them for their own and household's welfare. The present study deals with the link between the microfinance and women's economic empowerment through SHGs in the rural areas with respect to development of livelihood.

VII. Objectives of the Study: The general objective of the study is to assess whether women have become economically better off after joining the SHGs in the study area or not. The specific objectives of the study are as follows:

1. To identify the socio-economic profile of the sample SHG members.
2. To assess the effectiveness of SHGs in the economic empowerment of women.

The Null Hypothesis formulated for this study is:

“There is no economic empowerment of women through SHGs”.

VIII. Research Methodology: The study made a comparison between pre-and post-SHG status of the SHG members in order to evaluate the impact of SHGs in empowering women.

8.1 Data and Data Source: The study is mainly based on primary data. Primary data were collected from the field in the month of October, 2013 through face to face interview of sample SHG members using interview schedule. The required secondary data for the study were collected from books, journals, DRDA, Block offices and from various publications and reports of the Government and other agencies.

8.2 Sampling Design: We use a multi-stage random sampling technique to select the sample respondents. The sample frame is as follows: Baksa district of Assam was selected purposively for the study because a large number of women SHGs were functioning in the district under SGSY programme. Out of eight development blocks in the district, two development blocks, namely, Baska and Jalah Development Blocks have been selected for the present study based on the prevalence of active SHG units. Then, 25 SHGs from each block spread over ten villages were selected randomly. This made a total of sample of 50 SHGs. Then, from each SHG two members were selected for interview as respondents. The selected respondents were the president and secretary of the sample SHGs. therefore, the total numbers of respondents from the 50 SHGs were 100 constitutes the final sample size of the present study. .

8.3 Analytical Techniques: The study is descriptive and analytical in nature. Data were analysed and interpreted by using tabular method of statistical analysis where frequencies and percentages were used. To find out the impact of SHGs on the beneficiaries before and after joining the SHG, the Wilcoxon signed Ranks Test was applied.

8.4 Variables used in the Study: The socio-economic profile is studied in terms of five variables: the age of SHG members, educational attainment, marital status, number of household members and main occupation of the SHG members. In order to find the impact of microfinance on SHG member's economic empowerment the main variables are annual income, employment days and amount of savings.

Annual Income: The annual income of the respondents is worked out by taking into account income from income generating activities of SHGs and other subsidiary occupation per year.

Generation of Employment: It refers to the days of employment generated through the various sources, like agricultural crops, goat farming, piggery, group activity and other self-employment activities.

Savings: It includes savings of the members in SHGs, banks, post offices, friends and relatives have been considered.

IX. Results and Discussions:

9.1 Socio-Economic Profile of the Respondents: The socio-economic profile of the SHG members is analyzed under the following heads:

Age of the Respondents: The age-wise classification of the members is given in table 1 shows that majority, i.e., 48 percent and 34 percent belong to the age group of 35-45 and 25-35, followed by 10 percent in the age group of 45-55. Respondents in the category of below 25 and above 55 are few.

Table1: Age-Wise Classification of the Respondents

<i>Age Group</i>	<i>No. of Respondent</i>	<i>Percentage</i>	<i>Cum. Percentage</i>
Below 25	6	6.0	6.0
25-35	34	34.0	40.0
35-45	48	48.0	88.0
45-55	10	10.0	98.0
Above 55	2	2.0	100.0
Total	100	100.0	

Source: Field Survey

Educational Status: Table 2 shows the education-wise classification of respondents. The most important benefit of the microfinance programme is perhaps the opportunity that both illiterate and literate women can participate in the programme. The poor women who are generally illiterate or merely literate and who are generally excluded from formal line can take the opportunity of becoming a member of SHG and thereby can become an economic agent.

Table 2: Education-Wise Classification of Respondents

<i>Educational Status</i>	<i>No. of Respondents</i>	<i>Percentage</i>	<i>Com. Percentage</i>
Illiterate	28	28.0	28.0
Primary	49	49.0	77.0
HSLC	20	20.0	97.0
HSC	3	3.0	100.0
Total	100	100.0	

Source: Field Survey

Table 2 reveals that majority, i.e., 49 percent of the respondents have completed just primary level, followed by 28 percent have no formal education. 20 percent of the respondents have completed of HSLC and only 3 percent have completed Higher Secondary level.

Marital Status

Married women, many often in the poor family are subjected to domestic violence and they are mostly dominated by their husband in respect of financial matters (Day, et. al, 2014). In this context, microfinance programme, popularly known as SHG-bank linkage programme, can play a great role in economic empowerment of these women by providing them the opportunity to participate in economic activities thereby reducing the frequency of domestic violence against them as they could earn income and hence treated as asset of the family. The programme is also important to the widow and divorced and unemployed women, because these women in some society particularly in the poor segment are considered as burden to the family. From table 3 it is evident that SHGs have been playing a great role towards economic upliftment of the married women. Majority of respondents (89 percent) are married and ten percent of the women are either widow or divorced and only one percent of the respondents are unmarried.

Table 3: Marital Status of The Respondents

<i>Marital Status</i>	<i>No. of Respondents</i>	<i>Percentage</i>	<i>Cum. Percentage</i>
Married	89	89.0	89.0
Unmarried	1	1.0	90.0
Widow/Divorced	10	10.0	100.0
Total	100	100.0	

Source: Field Survey

Number of Family Members: Table 4 reveals that majority of the respondents i.e 64 percent have only family size of 2-4 members in the family. But 18 percent and 10 percent of the respondents have 5-6 and 7-8 members and only 8 percent respondents have more than 8 members in the family. Thus, majority of the respondents have nuclear family size reflecting a modern way of living style.

Table 4: Classification of Respondents based on Family Members

<i>Family Size</i>	<i>No. of Respondents</i>	<i>Percentage</i>	<i>Cum. Percentage</i>
2- 4	64	64.0	64.0
5-6	18	18.0	82.0
7-8	10	10.0	92.0
Above 8	8	8.0	100.0
Total	100	100.0	

Source: Field Survey

Occupational Distribution: Three major constrains that prevent the disadvantaged poor people from improving their lives are lack of access to formal financial services, absence of self-employment opportunities and lack of skills (Hossain, 2012). The Government of India realized that if different employment opportunities can be created, along with sufficient training and refreshers for capacity development, the poor could be linked to the mainstream economy which would ultimately bring them out of poverty. With a view to employment generation, Indian government initiated the SGSY scheme to provide microfinance services and renders, training and skills development services with the help of SHG approach.

Table 5: Occupation-Wise Classification of Respondents

<i>Occupational Status</i>	<i>No. of Respondents</i>	<i>Percentage</i>	<i>Cum. Percentage</i>
Weaving	24	24.0	24.0
Agricultural farming	35	35.0	59.0
Housewife/Unemployed	25	25.0	84.0
Livestock Rearing	16	16.0	100.0
Total	100	100.0	

Source: Field Survey

The occupation-wise classification reveals that the SHG members are engaged in various self-employment activities such as handloom and weaving, agricultural farming and livestock rearing for their livelihood. However, there are still 25 percent of women are yet to engaged in economic activity who are either unemployed or perform their housewife activity.

The personal profile of the respondents reveals that majority belongs to the age group of 25 to 45 and majority have educational qualification of primary education and most of them are married and major portion of the respondents have 4 to 6 dependents.

9.2 Economic Empowerment of Women : Poverty and unemployment are the major problems of developing countries like India. The Government of India has implemented various poverty alleviation programmes during the planning period to reduce poverty and to promote gainful employment. But the more attractive scheme with less effort is of self help groups (SHGs) approach. This paper judge the effectiveness of SHGs on women empowerment under the following heads:

Impact on Income: Poverty reduction takes place when poor people are able to generate sustainable increasing income. In other words, income generation is the only way to break the vicious circle of poverty. Table 8 shows the changes of annual income level of the sample SHG members before and after joining the SHGs. Data reveals that annual income of the majority of SHG members were increased after joining of SHGs when compared with their before SHG situation. Wilcoxon Signed

Rank Test is applied to test the significance of difference between the annual incomes of SHG members before and after joining SHG in table below.

Table 6: Changes of Annual Income of SHG Members

Annual Income	Before Joining SHG		After Joining SHG	
	No. of Respondents	Percentage	No. of Respondents	Percentage
Below 5000	25	25.0	8	8.0
5000-10000	41	41.0	48	49.0
10000-15000	11	11.0	16	16.0
15000-20000	5	5.0	6	6.0
Above 20000	18	18.0	21	21.0
Total	100	100.0	100	100.0

Source: Field Survey

Test Statistics^b

	Annual Income Before - Annual Income After
Z	-8.684 ^a
Asymp. Sig. (2-tailed)	.000

a. Based on positive ranks.

b. Wilcoxon Signed Ranks Test

The test shows the significant differences before and after scenario of annual income of the SHG members, since the asymptotic significance value is less than 0.05. Therefore, we reject the null hypothesis that there is no difference in income before and after joining SHG in the study district. The number of positive and negative ranks for Income after Joining SHG – Income before Joining SHG is given in the following table. It is trivial from the table that for all the respondents income after joining SHG is higher than Income before Joining SHG. Dr. Reji, (2013), also show the similar results of increase in income of the programme participants in the post-SHG situation as compared to their income in the pre-SHG situation.

Ranks

	N	Mean Rank	Sum of Ranks
Negative Ranks	100 ^a	50.50	5050.00
Positive Ranks	0 ^b	.00	.00
Ties	0 ^c		
Total	100		

a. Annual Income Before < Annual Income After

b. Annual Income Before > Annual Income After

c. Annual Income Before = Annual Income After

Impact on Generation of Employment: More often the microfinance programme through SHGs targets rural poor especially women to provide them with opportunities for self-employment activities. Microfinance provides self-employment opportunities not only to SHG members but also create employment opportunities for their family members to be engaged in various income generating activities undertaken by SHG members (Sarania, 2014). Self-employment empowers women by providing financial independence, alternative source of social identity and exposure to power structures (Baro and Sarania, 2014). Table 7 shows the annual employment level (number of employment days per annum) of the SHG members before and after joining the SHG. It is evident from the table 7 that the percentage of SHG members had increased in post-SHG scenario in higher

bracket of employments days per annum. This implies that SHG approach is able to create larger employment opportunities with the uses of microloans.

Table 7: Changes in employment Days per annum (Before- and After-SHG situation)

Employment Days (p.a.)	Before Joining SHG		After Joining SHG	
	No. of Respondents	Percentage	No. of Respondents	Percentage
Below 50	71	71.0	23	23.0
50-100	27	27.0	31	31.0
100-150	1	1.0	18	18.0
150-200	0	0.0	19	19.0
Above 200	1	1.0	9	9.0
Total	100	100.0	100	100.0

Source: Field Survey

Test Statistics^b

	Employment Before Membership - employment after per annum
Z	-6.974 ^a
Asymp. Sig. (2-tailed)	.000

a. Based on positive ranks.

b. Wilcoxon Signed Ranks Test

The Wilcoxon Signed Rank Test is applied to see the significant differences of employment days between the before and after SHG scenario employment days per annum. Since the asymptotic significance value is less than 0.05, we reject the null hypothesis that there is no difference in number of employment of SHG members before and after joining SHG in the study area. The number of positive and negative ranks for number of employment after Joining SHG– number of employment before Joining SHG is given in the following table. It is trivial from the table that for majority the respondent's number of employment days after Joining SHG is higher than the number of employment before Joining SHG.

Ranks

		N	Mean Rank	Sum of Ranks
Employment Before Membership - employment after per annum	Negative Ranks	72 ^a	41.76	3006.50
	Positive Ranks	7 ^b	21.93	153.50
	Ties	21 ^c		
	Total	100		

a. Employment Before Membership < employment after per annum

b. Employment Before Membership > employment after per annum

c. Employment Before Membership = employment after per annum

Impact on Savings: Savings play a vital role in building confidence of the rural people. It can be used as the substitute of insurance where social safety nets are hardly ever existent for the poor of the developing countries (Morduch, 1999, Hossain, 2012). Because, poor people are the most defenseless to risks and yet the least protected against the consequences of different kind of risks which compounded when they aren't adequately prepared with a savings cushion to mitigate them. The poor people have the desire to save and the demands for secure and convenient savings services are often even stronger among them than are credit services. SHGs are medium for promoting the habit of saving among the women and to enhance the equality of status of women as participant, decision

makers and beneficiaries in the democratic, economic, social and cultural spheres of life. Table 8 shows the saving behaviour of the respondents before and after joining of SHG. It is evident from the table that 24 percent of the respondents did not have any kind of saving in pre-SHG period. However, after joining in SHG, all members as part of the mandatory saving of the group have been saving in the group account of SHG. Moreover, those respondents who had saving before joining of SHG are able to enhance their saving amount after joining SHG as compared to the pre-SHG situation.

Table 8: Changes in Annual Saving (Pre- and Post-SHG situation)

Annual Saving	Before Joining SHG		After Joining SHG	
	No. of Respondents	Percentage	No. of Respondents	Percentage
Nil	24	24.0	0	0
200-300	62	62.0	10	10.0
300-500	4	4.0	10	10.0
500-1000	8	8.0	42	42.0
1000-1500	2	2.0	34	34.0
Above 1500	0	0	4	4.0
Total	100	100.0	100	100.0

Source: Field Survey

Test Statistics^b

	Saving before Membership - Saving after Membership
Z	-8.642 ^a
Asymp. Sig. (2-tailed)	.000

a. Based on positive ranks.

b. Wilcoxon Signed Ranks Test

Ranks

	N	Mean Rank	Sum of Ranks
Saving before Membership - Saving after Membership	Negative Ranks	97 ^a	4850.00
	Positive Ranks	1 ^b	1.00
	Ties	2 ^c	
	Total	100	

a. Saving before Membership < Saving after Membership

b. Saving before Membership > Saving after Membership

c. Saving before Membership = Saving after Membership

Wilcoxon Signed Rank Test shows that the asymptotic significance value is less than 0.05. Therefore, we reject the null hypothesis that there is no difference in the amount of saving of the SHG members before and after joining SHG in the study area. The number of positive and negative ranks for the behavior of saving after joining SHG— saving behaviour before joining SHG is given in the following table. It is trivial from the table that for majority the respondent's savings after joining SHG is higher than the savings before joining SHG.

Conclusion and Recommendations: The empowerment of women has emerged as an important issue in India which constitutes nearly half of the population. The role of women in the development

of the nation is equally important as man and to increase the status of women, they must be empowered economically for overall empowerment which includes social, psychological and political empowerment. There are several constraints that check the process of women empowerment in India, e.g., social norms and family structures in developing countries like India, manifests and perpetuate the subordinate status of women (Baro and Sarania, 2014). SHG emerged as powerful instrument for poverty eradication and empowerment of the poor in the new economic era. As women are the most vulnerable section of the society the quick progress of SHG is an upward vehicle for women empowerment. SHGs have not only improved living condition of members but also helped in changing much of their outlook and attitudes. In the present study, the effectiveness of SHGs on the economic empowerment of women have been examined in terms of increase in income, number of employment and access to saving in the after-SHG situation as compared to before-SHG situation. The study has found that SHGs have served the cause of women empowerment and socio-economic betterment of rural poor women. Wilcoxon signed ranks test was conducted to find out the significance of difference which shows that majority of the respondent's income, employment days and amount of savings increased in the post-SHG situation as compared to pre-SHG situation in the study area. Thus, the null hypothesis was rejected and concludes that microfinance through SHGs have been playing a vital role in the empowerment of women in the study area. This is an important institution for improving the life of women on various social, political and economic components. The number of women inclined towards SHG is increasing which implies that women are aspiring for empowerment. It was found that the SHGs are helping for the economic empowerment of its members. Since majority of the SHG members are women we can conclude that the SHGs are helpful for the empowerment of women and eradication of poverty in the study area.

Based on these findings, it can be suggested that various organizations involved in microfinance should closely monitor the utilisation of credit by the members and motivate them to use for productive purposes for sustained income which may enable them to have their own bank account for savings. Secondly, action should be taken to stimulate entrepreneurial spirit among women especially socially weaker sections of the society. Thirdly, agency related inputs for capacity building such as the development of forward linkages, e.g., motivating workshops, training activities, etc. and backward linkages such as marketing assistance, identification of dealers or sales persons, development of common brands etc. for development of micro enterprises are needed at frequent interval. Therefore, efforts should be made for the stabilisation and sustainability of the group members. The problems faced by the members must be listened and resolved for sustainable development.

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