

# Economic Empowerment: A Case Study of *Innilaa* Self Help Group (SHG) in the Lower Dibang Valley District of Arunachal Pradesh

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## Abstract

Self-Help Groups (SHGs) play a pivotal role in the socio-economic empowerment of women, particularly in rural India. This study explores the economic impact of the *Innilaa* SHG, formed in 2021 in *Jiprali* village, Arunachal Pradesh, under the National Rural Livelihoods Mission (NRLM). The research adopts a qualitative methodology, including field surveys, interviews, and participant observation, to analyze the economic activities of SHG members. Findings indicate that all members are engaged in self-employment, primarily in small-scale businesses such as catering and livestock farming. Government schemes, including the Community Investment Fund (CIF) and Arunachal Pradesh Livelihood Mission (ARsLM), have significantly contributed to improving members economic conditions through financial support and skill development programmes. The study highlights the social contributions of *Innilaa* SHG, as members actively participate in training and awareness programmes on critical issues such as drug prevention, hygiene, and environmental sustainability. The study identifies challenges, including unequal access to training opportunities and a primary focus on economic activities at the expense of broader social empowerment. Additionally, concerns regarding loan repayment, internal group dynamics, and economic adversities warrant further investigation.

**Keywords:** Self-Help Groups, Economic Empowerment, Women's Participation, Rural Livelihoods, Government Schemes.

## 1.0 Introduction

“India's Self-Help Group (SHG) movement has emerged as the world's largest and most successful network of community-based organizations (CBOs), predominantly women's movement” (Reddy & Reddy, 2012, p. 1). A Self-Help Group (SHG) is a village-based financial intermediary committee or association of individuals, usually composed of 10-20 local women, where members make regular contributions until there is enough capital for lending. The era of the 1990s saw rapid development in SHGs because the Reserve Bank of India (RBI) instructed the National Agriculture and Rural Development Bank (NABARD) to provide a certain amount of monetary aid (Ministry of Rural Development, Government of India). To strengthen SHGs, the Ministry of Rural Development, Government of India, launched NRLM in 2011 (National Rural Livelihoods Mission). The NRLM emphasizes forming rural poor households into SHGs, particularly focusing on empowering women. It

conducts various initiatives for economic opportunities, training, and capacity-building programme for SHG members, income-generating projects, and facilitates the linkage of SHGs with formal banking institutions to ensure access to credit and financial services (Ministry of Rural Development, Government of India). The evolution of SHGs can be illustrated in the table provided below:

Origin Year	Name	Function
1972	Self-Employed Women's Association (SEWA)	SEWA was established to organize self-employed women workers and provide them with a platform for voicing their concerns and improving their socio-economic conditions.
1985-90	emerged in 7th Five Year Plan as a way for poverty eradication	This initiative aimed to integrate poverty eradication efforts into the overall development strategy of the country during the 7th Five Year Plan.
1992	SHG Bank Linkage Project initiated by NABARD	The Self-Help Group (SHG) Bank Linkage Project aimed to link informal self-help groups with formal banking institutions to facilitate financial inclusion and empower women.
1993	NABARD, in collaboration with RBI	NABARD and RBI collaboration likely involved joint efforts in the implementation of various rural development and financial inclusion initiatives.
1999	Swarn Jayanti Gram Swarozgar Yojana (SGSY)	SGSY aimed at providing sustainable income-generating opportunities to rural poor by organizing them into self-help groups and supporting a mix of income-generating activities.
2011	National Rural Livelihoods Mission (NRLM)	NRLM is designed to enhance the livelihoods of rural households by promoting income-generating activities, building capacity, and improving access to financial services.

According to Chakrabarty (2023), Self-Help Groups (SHGs) have played a significant role during the pandemic. SHGs led from the front in producing masks, sanitizers, and protective gear. They have also played a significant role in various activities such as raising awareness about the pandemic, drugs, domestic violence, and women's rights. Therefore, SHGs have played a significant role not just in providing financial assistance but also as an essential means for the government and different non-governmental organizations to spread awareness about various issues in society. The SHG has been focused on an integrated approach towards empowering women, encompassing all fronts such as social, economic, political, and legal (Singh & Kumar, 2012). However, economic empowerment provides an important and independent avenue for women. Virginia Woolf, a novelist, states that "A woman must have money and a room of her own if she is to write fiction" (p. 150). This denotes that economic empowerment, in the real sense, provides independence, allowing women to choose their profession and pursue their areas of interest. While schemes and planning from NGOs and the government aimed at empowering women are commendable, SHGs ensure the active participation of women in various activities. SHGs have been able to mobilize people and contribute to the overall empowerment process (Krishnamurthy and Ratnaparkhi, 2002). Similar to microcredit, they 'employ group meetings and group lending techniques, potentially building human capital and strengthening the social capital of the community' (Anderson, Locker, and Nugent, 2002).

### 1.1 Background of the Study

The National Rural Livelihoods Mission (NRLM) has played a pivotal role in bringing all Self-Help Groups (SHGs) under one umbrella. The integration among SHGs was deemed essential due to the presence of multiple SHGs in a village, making it convenient and feasible to provide training collectively. Arunachal Pradesh State Rural Livelihoods Mission is the Nodal Agency responsible for implementing National Rural Livelihoods Mission scheme in the state. The SHGs operate within a hierarchical structure known as the Primary Level Federation (PLF), consisting of at least 10 to 11 SHGs. Above PLF, there exists Cluster level Federation (CLF) consisting of several PLFs. They together play an important role in the mobilization process of the members. Both PLF and CLF are together monitored by Block Mission Management under the direction of ARSRLM through the general guidelines of NRLM. (SOURCE- Handbook on ArSRLM). One registered SHG under NRLM in the state of Arunachal Pradesh is *Innilaa*, meaning “Sun and Moon” in *Idu Mishmi*. *Innilaa* is one of the eight groups in the Mayu II block of Dibang valley district. Formed in 2021, the *Innilaa* group has been actively participating in various activities aimed at strengthening their economic condition.

#### Research Objective:

To see the impact of economic activity of the *Innilaa* Self-Help Group.

#### Research Question:

What are the sources of income among the members of *Innilaa* Self-Help Group?

#### Methodology adopted for the study:

The study is based on the qualitative and active participation of the researcher with the *Innilaa* Self-Help Group (SHG) members. The researcher utilized both primary and secondary sources. In terms of primary sources, a field survey was conducted in a time-bound manner. The present research relies on interviews and observations, where the researcher conducted interviews. The present study focuses on the economic empowerment among *Innilaa* Self-Help group members. The rationale behind the selection of *Innilaa* is its recent formation in 2021 and functional character in the form of providing catering services as a means of economic employment. The group has also been recognized by the Block Mission management unit with the *Best SHG award for its good conduct and satisfactory performance based on a grading system*. Thus, an in-depth study of the group’s economic activities will contribute to our understanding of the functioning of Self-help groups. The catering service is given because of the good conduct and a good track record of *Innilaa* SHG. The *Innilaa* SHG group has been selected based on the grading system for its performance using the following criteria:

**Table 1 shows the performance of Innilaa SHG for selection of catering service**

Sl. No	Item	Total Point	Point Obtained
1	Personal catering (before registered)	10	10
2	Community Investment Fund (CIF)	10	10
3	Maintaining Smooth Transaction Monthly in Returning Loan 10 thousand.	10	10
4	Registered Maintaining Record	10	10

Table 1 shows the performance of the *Innilaa* Self-Help Group (SHG) since its formation in 2021. *Innilaa* is the sole SHG from *Jiprali* village and has consistently demonstrated proactive engagement in various assigned tasks. The group successfully managed a loan obtained through the Community Investment Fund (CIF), ensuring regular and timely repayments. Their track record in catering services earned them a perfect rating of 10 out of 10. The researcher also observed the active participation of all members within the group, particularly the positive involvement of every individual in the age range of 30 to 55. This age demographic consistently contributes positively to the group's activities. The meticulous maintenance of their registration records is indicative of their commitment to punctuality of their positive performance.



*The members of Innilaa SHG actively engaged in catering services*

### **Study Area:**

The Study was conducted in *Jiprali* village in Roing in the Lower Dibang Valley District of Arunachal Pradesh. The village constitute of only one SHG group which is registered under the National Rural Livelihood Mission (NRLM).

### **Significance of the Study:**

“The socio-economic picture of women in Arunachal Pradesh is also not impressive at all” (Pandey 2022, p.27). However, there has been a paradigm shift, with women who were once confined to domestic affairs now emerging and actively contributing to economic activities. This transformation is a result of government efforts through various schemes that have altered the dynamics of women in Arunachal Pradesh. Self-Help Groups (SHGs) have played a significant role in various domains, including politics, economics, legal matters, and other socio-economic intricacies, empowering women by making them aware of possibilities.

**Table 2 Respondent Profile**

Item		Number	%
Gender	Female	6	100%
	Total	6	100%
Age	20-30	1	16%
	31-40	2	33%
	41- years above	3	50%
	Total	6	100%
Educational qualifications	Primary Stage	0	-
	Middle stage	1	16%
	10 <sup>th</sup>	0	-
	12 <sup>th</sup>	1	16%
	Bachelor degree	1	16%
	Illiterate	3	50
	Total	6	100%
Employment status of Self/husband	Employed	2	33%
	Self-employed	3	50%
	Unemployed	1	16%
Marital Status	Married	4	66%
	Unmarried	2	33%
	Total	6	100%
Category	ST	5	83%
	General	1	-
	Total	6	100%
Address of the respondent	Village	Jiprali	
	Block	Mayu II	
	District	Lower Dibang Valley District	
	State	Arunachal Pradesh	

Table 2 shows information of the respondents from *Jiprali* village, Mayu II Block, in the Lower Dibang Valley District of Arunachal Pradesh. All respondents are female. In terms of age, 16% are between 20-30 years, 33% fall in the 31-40 age group, and 50% are above 41 years. Regarding education, half of the respondents (50%) are illiterate, while others have attained middle-stage education (16%), 12th grade (16%), or a bachelor’s degree (16%). Employment-wise, 33% are employed, 50% are self-employed, and 16% are unemployed. Marital status data shows that 66% are married, while 33% are unmarried. In terms of social category, the majority (83%) belong to the Scheduled Tribe (ST) category, while 16% belong to the General category.

**Table 3 shows the Innilaa SHG**

Item		
Name of the SHG		<i>Innilaa</i>
Years of formation		2021
Total number of member		6
Motivation behind joining the SHG	To seek employment	-
	To feel economically independent	-
	To improve the financial condition of the family	-
	To gain a social status	-
	To avail the government scheme	6
	Without any reason	-
Nature of meetings of the self-help group	Weekly	-
	Quarterly	-
	Monthly	6
	No Meeting	-
Nature of selection of the president/secretary/chairman	Election	-
	Nomination	-
	Selection	6

Table 3 provides key details about the self-help group (SHG) named *Innilaa*, which was formed in 2021 and consists of six members. The primary motivation for joining the SHG among all members was to avail government schemes, while none cited reasons such as seeking employment, economic independence, improving family finances, or gaining social status. The SHG follows a monthly meeting schedule. Leadership positions such as president, secretary, or chairman are determined through a selection process.

**Finding and Analysis**

Research Question: What are the sources of income among the members of *Innilaa* SHG?

SL. No	Item	Numbers	
1.	Primary Occupation	Agriculture	-
		Livestock farming	6
		Non-farm self-employment	6
		Other (please specify)	-

The table shows information of the primary occupations of the members within the Self-Help Group (SHG) *Innilaa*. All members are actively involved in self-employment, small scale business like manage



shops and livestock keeping. The study highlights the significant role of women within the SHG, emphasizing their independence. Moreover, the findings reveal a diverse range of income-generating activities undertaken by these SHG members.

**How has being a member of Innilaa SHG affected your income-generating activities?**

**Respondent 1:** “I have experienced a noticeable improvement in my economic situation. Previously, I used to stay at home, but now I actively participate in various activities like pickle making. This engagement has positively impacted my financial well-being.”



*The picture shows one of the members engaged in the pickle-making process*

**Respondent 2:** “The improvement in my economic condition is attributed to the support provided by the government, particularly through the Community Investment Fund (CIF). Under CIF, 50k is granted to PLF, and this amount is distributed to SHG members who apply for it. The key benefit is the low 1 percent interest rate.”

**Respondent 3:** “Yes, I’ve observed improvements at various levels, thanks to the Self-Help Group (SHG) initiatives. For instance, the Aajeevika Grameen Express Yojana (AGEY) provides loans ranging from 5 to 6 lakh with a zero interest rate. Only the principal amount needs to be repaid over a six-year period.”



*The Picture shows one of the members’ engaged in making of sel roti*

**Respondent 4:** “Our SHG has been instrumental in generating income, especially through initiatives like the Arunachal Pradesh Livelihood Mission (ARsLM). Recently, our SHG has been officially registered for catering services. This means that whenever there is a training or orientation programme under ARsLM, our group is selected to provide catering services. This has significantly contributed to our economic well-being.”

The researcher also noticed that the group *Innilaa* have been revived which was formed around in the year 2018 however, the majority of the group members have left it for their personal reason. Nevertheless, many more joined in the group and the inclusivity of the group can also be seen with the participation of non APST member, which is rarely observed.

**1. Do you participate in any training programme, and how do you feel about such training programme?**

The study revealed a divergence in the levels of participation among members in the training programme, with not all members engaging due to individual reasons. Nonetheless, a dedicated from group consistently attends these training and orientation programme. The training curriculum encompasses a diverse array of subjects, as highlighted by one respondent who mentioned acquiring skills in candle making and pig farming.

The finding sheds light that a unanimous positive attitude among all members regarding the effectiveness of the training programme. Participants firmly believe that the programme has yielded tangible benefits at the personal level. This affirmation of positive impact is indicative of the holistic nature of the training initiatives.

**2. Apart from engaging in economic activities, have you participated in different training or orientation programme?**

The respondents affirmed that they have undergone diverse training, orientation, and awareness programmes pertaining to various issues during the PLF meetings. The study revealed that SHG (Self-Help Group) members have participated in several programmes, including: During one of the meetings, a collective commitment was made, asserting zero tolerance towards individuals involved in the sale or consumption of drugs, regardless of their familial relations. A specific meeting was convened to instruct members on maintaining hygiene in the vicinity. Members were encouraged to advocate against littering, promote the use of dustbins.

## Discussion and Conclusion

This case study explores how the *Innilaa* Self-Help Group (SHG) in Arunachal Pradesh, India, positively impacts women's lives through economic empowerment. The study covers the historical context of SHGs in India, with a focus on women's empowerment, and discusses the role of the National Rural Livelihoods Mission (NRLM) in supporting SHGs. The *Innilaa* SHG, formed in 2021, is examined for its economic impact using qualitative methods. The specific context of *Jiprali* village in the Lower Dibang Valley District is highlighted, addressing socio-economic challenges faced by women. The respondent profile provides demographic details of *Innilaa* SHG women, showcasing diversity in age, education, employment, marital status, and category. The study finds that all members are engaged in self-employment, emphasizing women varied contributions to economic sustainability.

Government support through initiatives like the Community Investment Fund (CIF) and Arunachal Pradesh Livelihood Mission (ARsLM) positively impacts *Innilaa* SHG members, leading to improved economic situations. The study includes direct quotes from members and reveals their active



participation in training programme, indicating a commitment to skill development. Beyond economic activities, members are involved in training programme on drug awareness, hygiene, and environmental concerns. The study concludes that *Innilaa* SHG's holistic approach to empowerment goes beyond economics, contributing to social causes.

While focusing the virtues of Self-Help Groups (SHGs), it is imperative to scrutinize potential drawbacks. Disparities in training opportunities may impede skill acquisition among certain members, undermining the principle of equitable learning. A myopic focus on the economic dimension could inadvertently sideline critical aspects of women's empowerment, such as societal agency and equitable treatment. The current data lacks comprehensive insights into these multifaceted dimensions of empowerment, necessitating a holistic perspective. Furthermore, examination of SHG challenges is imperative, encompassing issues like loan repayment difficulties, internal social stratification, and other economic adversity on members.

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