
Reduction of Poverty through Self Help Groups (SHGS) In Kokrajhar District of Assam

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ABSTRACT:

In recent years the group approach for poverty alleviation has been gaining recognition in the Asian countries. Mostly women are mobilized into groups for undertaking mutually beneficial social and economic activities. The group provides the women a base for self-employment and empowerment through group dynamics. In India, these mutual help based groups are known as self-help groups (SHGs). The fundamental basis of the self-help group exists prior to any external intervention. A common bond like caste affiliation, place of residence, need and interest, community links individual. A development functionary must have the experience to identify these common bonds which are commonly called "natural affinities".

*The empowerment of women through SHGs would give benefit not only to the individual women but also for the family and community as a whole through the collective action for development. These SHGs have a common perception of need and an impulse towards collective action. Empowering women is not just for meeting their economic needs but also for more holistic social development. The SHGs empower women both socially and economically. They encourage women to participate in decision making in household, community and local democratic sector and prepare women to take up leadership position. The **objective** of the study is to study the role of SHGs in eradicating poverty in Kokrajhar District of Assam. The **methodology** of the study will be based upon mainly the secondary data which will be collected from the different sources.*

Keywords: *Self-Help Groups, Programmes, Schemes, Government, DRDA, NGOs, etc.*

INTRODUCTION

The self-help group is not a static institution. It grows on resources and management skills of the issue and programs that requires their development in public and private spheres. Self-help group usually considered of 10 to 20 members living in the same area. The groups are formed by the NGOs, Government department or project implementing agencies. They have voluntary come together for the business of saving and credit and to enhance the member's financial security as primary focus and other common interest of members such as area development, awareness, motivation, leadership, training and association in other social intermediation programmes for the benefit of the entire community.

The Self-Help Group (SHG) is a viable organization set up to disburse micro-credit to the rural women for the purpose of making them enterprising and encouraging to enter into entrepreneurial activities. The formation of SHGs is not ultimately a micro credit project but an empowerment process. The empowerment of women through SHGs would give benefit not only

to the individual women but also for the family and community as a whole through the collective action for development. These SHGs have a common perception of need and an impulse towards collective action. Empowering women is not just for meeting their economic needs but also for more holistic social development. The SHGs empower women both socially and economically. They encourage women to participate in decision making in household, community and local democratic sector and prepare women to take up leadership position.

REVIEW OF LITERATURE

The important works on such matter are Gupta, M.L. and Gupta, N (2006) in their study **“Economic Empowerment of Women Through SHGs”** indicated the successful working of SHGs in Punjab has given enormous benefits. Organized working of the women through SHGs has raised the income of the families involved. Success of these SHGs not only improved the economic status of the women concerned but there is also a drastic change in their social status.

Selvakumar, M and Sunder, R (2007) in their study **“Swarnjayati Gram SwarozgarYojana – Tool for Poverty Eradication”** indicated that SGSY is the best tool to eradicate poverty in rural India. It helps the poor women to uplift their socio-economic status in their respective communities.

In addressing the first Ad-hoc National Federation of SHGs meeting in New Delhi, The Union Rural Development Minister Dr. Raghuvansh Prasad Sing provided importance on the formation of SHGs. The SHGs play a proactive role for the economic empowerment of rural mass (2008).

Borthakur, Purabi and Das, Mallika (2004) in their study **“Ravi – A Model Village of Assam”** indicated that in Jorhat District, Ravi village was an important village where nine SHGs run solely by women. The success of these groups are promoting and encouraging others to form more and more SHGs.

Thakuria, Nava (2005) in his study **“The Growing Mission of Self-Helping”** indicated that the Milizuli Self-Help Group in Nalbari has successfully empowered the Hira (pottery) community women in the society.

Mandal, Amal (2004) in his book **“Rural Development in West Bengal”** indicated that SGSY scheme helped the poor community women to improve their socio-economic status in West Bengal.

Rao, Radhakrishna (2005) in his study **“Women’s Groups Herald a Wind of Change in Rural Uttaranchal”** explained that the all women SHGs took upon themselves the tasks of giving a fresh thrust to development activities and community empowerment.

Extension research (Roy and Clark, 1994; Roy and Tisdell, 1996; Rao, 1991) on women’s socio-economic status in Rural India have found that these women have reached the end of their carrying capacity and that the empowerment of women is a fundamental requirement for sustainable development. As per 56th Round Survey data (2000-01), the estimated percentage of proprietary female owned enterprises in rural areas is to be extent of just 7.6 percent of male owned enterprises and the number of workers in female own account enterprise is found to be 6.84 lakhs as against 89.9 lakhs for male counterparts. Regional inequalities in women owned enterprises are found to be higher in rural areas compared to urban areas.

Ahirrao (2008) in his study “**Rural Women Empowerment Through Micro Finance**” shows the SHGs of rural women consists of members who are the poor, having low saving capacity and who depend on money lenders for meeting their consumption needs and social obligations. Formation of women into self-help groups paved a way to develop their economic standards, thereby building self-confidence. Women in SHGs have been encouraged by the Govt. as well as NGOs to undertake self-employment ventures with locally available resources.

Koul, D.N. and Mohan, G (2008) in their study “**Women’s Self-Help Groups and Micro-Finance**” shows that the SHGs formed helped the rural womenfolk in improving their awareness and self-dependency. It was more crucial for women of tribal communities for sustenance of their family. The biggest concern was that the groups are more of credit management nature and the meetings were mostly limited to collection of monthly saving and discussion of loans.

In relation to women and work, there are a number of studies done by sociologists and anthropologists in the contemporary set up. Miralao (1983), called women’s work crucially important in the economic support of families in view of limited incomes of households that are insufficient to meet requirement for living or in enabling families to improve their economic conditions. In the contemporary setup the single earner household has become a dual earner household in which, both husbands and wives earn by going outside the home to work. Thus work participation empower the poor women.

NABARD established as an apex institution to provide credit facilities to the rural areas. NABARD provides micro finance to the women SHG in order to empower the womenfolk in the rural areas. The institution thinks that there is urgent need of empowering women especially in rural area. The formation of SHG and Micro finance will enhance their socio-economic position in the society. [NABARD website]

OBJECTIVES OF THE STUDY

In the light of above facts, this study was conducted with the objective to study the role of SHGs in eradicating poverty in Kokrajhar District of Assam.

METHODOLOGY

The present study was undertaken in Kokrajhar district of Assam. The study is based on primary and secondary data. The primary data was collected by using well prepared interview schedule and the secondary data was obtained from various published and unpublished records, books and journals.

DISCUSSION

Kokrajhar district is constituted with six development blocks, namely Gossaigaon development block, Kachugaon development block, Hatidhura development block, Kokrajhar development block, Sidli-Chirang development block and Dotma development block. It has two sub-divisions, namely Kokrajhar and Gossaigaon.

Self Help Group (SHG) plays an active role in poverty alleviation. Mainly SHG can be constituted with 70% BPL members and 30% APL members. APL members cannot occupy any post like President, Cashier etc. They can act as adviser. On the other hand BPL members are given priority in placement. So by upgrading the BPL members poverty can be reduced up to a certain level. According to DRDA Kokrajhar, it helps SHGs in three ways –

(i). Infrastructure Programme

Under this programme, critical gap is fulfilled e.g. creitical gaps like providing working shed to SHG for their work, machines etc.

(ii). Training Programme

Here two types of training are given

- (a). Basic orientation and
- (b). Skill up-gradation

(iii). Subsidy

Subsidy is given to each SHG according to their respective activities. DRDA gives subsidy through different blocks.

In the Kokrajhar district also different SHGs are constituted. In this district most notable programme of poverty alleviation is SGSY. Under SGSY programme different SHGs are given subsidy for different purposes. One notable thing under SGSY Programme is that 75% fund is allotted from Central Government and rest 25% is from State Government. Fund is distributed in the following manner –

- 25% → Infrastructure
- 10% → Training, under this 5% for basic orientation and 5% for skill up-gradation.
- 30% → Revolving fund
- 35% → Subsidy

The total amount of subsidy under SGSY programme granted to different SHGs are mentioned below in Table: 1.1

Table: 1.1
Amount of subsidy under SGSY programme to SHGs in Kokrajhar District.

Name of different Blocks	No. of members of SHGs		Amount of subsidy (in lakhs)	
	2015-16	2016-17	2015-16	2016-17
Kokrajhar	431	536	36.0	46.8
SidliChirang	460	479	26.25	42.0
Dotma	455	574	31.80	42.0
Kachugaon	274	276	15.17	22.0
Gossaigaon	156	334	14.50	31.0
Hatidhura	66	94	6.0	8.0
Grand total	1842	2293	3972	19180

Source: Project Director, DRDA, Kokrajhar, 2016-17

From the above table we can say that under SGSY programme more people were benefited in 2016-17 than 2015-16. Total numbers of SHGs were 1842 in 2015-16 and in 2016-17 it was raised to 2293. Besides this subsidy, each SHG was given bank loans for their corresponding works. Out of total number 70% was BPL people. So this programme helped a lot in poverty eradication.

The table: 1.1 gives an outlook of subsidy released through various commercial banks for different Key activities undertaken by SHGs in different blocks of Kokrajhar district in 2015-16 and 2016-17.

The table: 1.1 represents that amount released in 2016-17 was greater than in 2015-16. In 2016-17 the number of benefitted SHG was 196, on the other hand in 2015-16, the number of benefitted SHG was 147. Most of the subsidy was given to the Piggery. Piggery had given top priority. On the other hand, second place was occupied by weaving. Weaving had been occupied by 36 SHG in 2015-16 and 51 SHG in 2016-17. Each group had given 1 lakh subsidy against weaving. In the year 2015-16, no subsidy was given against Horticulture, Sericulture, Vermic Compost, Mat making, Rice business. On the other hand, in the year 2016-17, Readymade cloth, Masala making, Chiramuri, Agriculture, Cattle farm, Tractor were totally neglected. No subsidy was sanctioned against these activities.

Table: 1,2 shows statement of key activities wise subsidy released to Banks during 2015-16 and 2016-17.

Table: 1.2
Statement of key activities wise subsidy released to Banks during 2015-16 and 2016-17.

Sl. No.	Number of SHG		Number of key activities	Total	
	2015-16	2016-17		2015-15	2016-17
1	0	1	Farm Mechanization	0	1.25
2	57	81	Piggery	54.17	81.00
3	18	25	Dairy	18.25	25.00
4	36	51	Weaving	36.00	51.00
5	13	14	Multiple Cropping	13.00	14.00
6	5	10	Banana plantation	5.00	10.00
7	0	3	Horticulture	00	3.00
8	6	5	Goatery	1.50	1.25
9	1	1	Fishery	1.00	1.00
10	0	1	Sericulture	0	1.00
11	0	1	Vermic compost	0	1.00
12	0	1	Mat making	0	1.00
13	0	1	Rice business	0	1.00
14	1	1	Broiler	.30	.30
15	1	0	Readymade cloth	1.00	0
16	1	0	Masala making	.25	0

17	1	0	Chiramuri	1.00	0
18	1	0	Agriculture	1.00	0
19	1	0	Cattle farm	1.00	0
20	5	0	Tractor	6.25	0
Total	147	196		139.72	191.80

Source: Project Director, DRDA, Kokrajhar, 2016-17

Nature of the Working Agencies:

To eradicate poverty government have taken various programmes and schemes. For proper implementation of these programmes, the government has entrusted the task of implementation upon different government agencies and also upon non-government agencies. In this distract the most notable working agencies are discussed below.

DRDA (District Rural Development Agency):

Kokrajhar is rural-belt district. Hence most of the people live in rural area. Kokrajhar is characterized by low income levels, poor quality of life and a weak base of human development. Severe poverty is found mainly in rural areas. So greater task is given to District Rural Development Agency. The different poverty alleviation programmes were implemented by DRDA. From the financial year 2001-02, DRDA Kokrajhar has been implementing successfully various poverty alleviation programmes. Its implemented programmes were EAS, SGRY -I, SGRY -II, JGSY, SGRY, IAY (NC), IAY (UG), NREP, FWP, Old-Age-Pension etc. The total allocation of fund under different programmes are first allocated to DRDA, then it is distributed among different blocks. In case of IAY programmes, DRDA has done its duty effectively. DRDA Kokrajhar has also sometimes handover the charge of programmes implementation to VCDC, NGOs etc. It is also able to create praiseworthy amount of mandays under different poverty alleviation programmes. It also acts as helping hand to SHGs. It gives subsidy to different SHGs according to their works. In In the financial year 2016-17, it has allocated 191.80 lakhs subsidy to 196 SHGs. Besides these, DRDA also helps the BPL people by different training programmes, infrastructure programmes.

PDS (Public Distribution System):

Public Distribution System is an effective tool for poverty alleviation. The main task of this system is to supply essential commodities to the BPL families as subsidized price. But in this district PDS is working in Snail's move. Though the different 'Fair Price Shops' have introduced, but the actual benefit has been taking by the APL families. PDS is a rationing mechanism commodities such as rice, sugar, wheat, kerosene, edible oils, cloths etc. But in this district the two essential commodities namely – S.K. Oil and rice are distributed.

The different PDS agencies have taken the lion's share of the commodities and sale in higher prices and make artificial scarcity. It is possible because of the illiteracy and ignorance of the poor people. Different schemes has introduced under PDS, namely – TPDS, IAY, AS etc. But in this district, only AAY is in operation. The PDS cannot be able to meet the needs of the poor people.

NGOs and SHGs (Non-Government Organizations and Self Help Groups):

NGOs also play an active role in poverty alleviation. In this district, there is large number of NGOs. They have taken various steps for poor people like different training programmes at free of cost, different awareness programmes of health etc. They also give helping hand towards the natural calamities-affected people. Different DRDA projects on poor people are also entrusted upon different NGOs. In this district one very famous NGO is Discovery NGO of Kokrajhar district.

It has done lots of work for BPL people. Another newly established NGO namely – Astha Social Welfare Development Society which was established in 2004/05 with 17 members with opening capital of Rs. 1100 by each member. This NGO is working on a project of sanitation, this project is namely as AnamoySouchaloy. Under this project Rs. 500 is given by public health, Kokrajhar part II and Rs. 125 is collected from the beneficiary for each sanitary pan. 900 sanitary pan have been completed and another 500 will be delivered soon. This whole project is gone to the benefit of poor people. Madhu-Chakra Development Organization (NGO) of Basugaon is also running successfully. This NGO also help poor people individually. Individually loan has sanctioned to 22poor people. The maximum amount of loan is 20,000 and minimum is 5000.

Significant steps are taking for poverty reduction under North-East Socio-Economic Development Society. This NGO was established on 2003 at Fakiragram. Since its inception the NGO has been working for the formation and development of SHGs under Dotma, Gossaigaon and Kokrajhar Block by organizing various training programmes, awareness camps, loan recovery camp, medical camps, beneficiary selection etc. Besides, this NGO is working for the development of agricultural products and its marketing.

Under different NGOs, there are large numbers of SHGs. In each SHG there should be 70% BPL people. So the profit earns by SHGs mean the up-gradation of income level of the poor people. Sometimes SHGs are formed under the guide-ship of NGOs. E.g. under Madhu-chakra Development Organization near about 300 SHGs are in operation. In case of Astha Social Welfare Development Society, 41 SHGs are in operation. In this district in the financial year 2015016, 147 SHGs had received DRDA subsidy and bank loan. On the other hand, in the financial year 2016-17, the number of SHGs raised to 196 which has got DRDA subsidy and bank loan.

VCDC (Village Council Development Committee):

After the formation of Bodoland Territorial Council (BTC), the panchayat system was abolished in BTC. So, this district has also no panchayat. But in place of panchayat different TLCC and Village Council Development Committee does the panchayat works in assistance with BDOs. Their nature of work is as like as Gaon Panchayat. These bodies are selected bodies, selected by the council authority. The fund is allotted against TLCC – (30%), VCDC – (50%) and council – (20%). The different VCDC are formed under different TLCC. TLCC do their work through VCDC. So there is also ample scope for VCDC to serve the poor. In VCDC fund is mainly allotted two times in a year. Sometimes fund is also allotted three times in a year. First fund is allotted to DRDA, and then through block it comes to VCDC. The main work of VCDC is development work. Under development work road construction, earth filling, sand gravel, RCC culvert etc. are major works. Through these works the rural poor people get chance of

employment. Different poverty alleviation programmes are entrusted upon different VCDC through BLOCK. For example, in this district IAY programmes are mainly done by VCDC. Individual benefit schemes were launched for SC/ST and BPL people against 10,000 or 50,000 for each individual which was non-refundable. Besides these, the different necessary things are also distributed by VCDC to the poor people like cycle, blanket, flux, umbrella, et

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