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Comparative Analysis of the Economic Status of Women in Rural Assam Before and After Participation in Self-Help Groups

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Abstract— *Self-Help Groups (SHGs) work as an excellent tool in India for providing women's economic empowerment, financial inclusion, and development of rural areas. SHGs encourage savings and facilitate credit to support income-generating activities, significantly improving rural women's socio-economic status. The aim of the current study is to evaluate the role of SHGs in economic empowerment of women in Karimganj District of Assam by analyzing the economic status of women in the district pre and post their membership in the SHGs. The study is based on primary data of 250 women SHG members who were selected by a random sampling method. For the purpose of this study, various aspects of economic empowerment, such as income and savings, access to formal credit and repayment capacity, employment, entrepreneurship, asset creation, and participation in household economic affairs, were assessed. The study also assessed the dimensions of economic empowerment and the impact of SHG participation in the area of economic empowerment. The outcomes of this study indicated that the participation of women in SHGs has led to a considerable increase in women's monthly income, savings, financial independence, utilization of loans, self-confidence, and entrepreneurship. It also indicated that women's financial access through SHGs has led to improved financial wellbeing of women and provided them the ability to make decisions. Even with their challenges, the economic situation of rural women has improved through SHGs. Building up financial resources and market connections would enhance economic empowerment of women and develop the rural areas.*

Keywords— ***Self-Help Groups, Women Empowerment, Economic Status, Rural Women, Economic Growth, Karimganj District***

I. INTRODUCTION

Self-help groups have been an influential tool to boost the socio-economic empowerment of rural women in India. The SHG movement strengthened with the SHG-Bank linkage program of NABARD, aimed at the improvement of financial inclusion and rural development. SHGs help empower women economically and socially by improving their ability to save, subsidize their entrepreneurial activities, and enhance their decision-making and community development participation. Self-help groups promote financial autonomy while decreasing dependency on money lenders. In the majority of the rural settings, SHGs have aided the poverty reduction process, increased employment and improved the skills and income levels of households. Self-help groups have emerged as a result of formal lending agencies, including cooperatives, and the economic and social marginalization of the poor. Self-help groups are a product of a neo-liberal growth model, wherein the disadvantaged grow and prosper, providing comprehensive, self-sustaining systems of progressive and economically productive undertakings. This model is based primarily on the lines of Muhammad Yunus, the pioneer of microcredit and microfinance, in Bangladesh Grameen Bank. SHGs have emerged along this path of providing a broad-based growth framework for poverty alleviation in India. The reduction of poverty, raising awareness, and protecting the environment are collectively successful efforts aimed at sustainable national growth [1]. Improvements to socio-economic status and to the role of women in investment decisions and actions undertaken at the family and community levels are achieved with the use of self-help groups (SHGs). The rapid growth of self-help groups (SHGs) was followed by concern for long-term sustainability. Poor financial management, lack of leadership, irregular meetings, declining member participation, and a fragile organizational structure are obstacles many groups face from a sustainability perspective [2]. In Assam, particularly in Karimganj district, self-help groups (SHGs) have improved the economic condition of women in the district's economically weaker sections. The self-help groups (SHGs) promote women participating in small-scale enterprises and self-employment ventures in agriculture, handicrafts, and other activities. In this context, it is important to evaluate the contributions of SHGs to validate their importance for self-employment ventures in rural development and in the empowerment of women. This study aims to evaluate the contributions of self-help groups (SHGs) to the economic empowerment of women in the district of Karimganj (Assam). Although many researchers have examined the contributions of SHGs for the empowerment of women in different regions, very few studies have assessed the contributions of SHGs for the empowerment of women in Karimganj district. This study has been undertaken with the aim to determine the impact of self-help groups (SHGs) on women's income, savings, loans, employment, entrepreneurship, and empowerment in decision making. The study's objective includes discerning the challenges SHG members confront and assessing the impacts SHGs have on the socio-economic state of women. This study will analyze the SHG members experiences of the district and develop SHG's role in the sustainable economic growth and financial independence of women in the rural area of Karimganj district, Assam. To develop the above, this study will analyze the members experiences beyond the economic impacts.

II. REVIEW OF LITERATURE

There have been multiple studies of Self-Help Groups (SHGs) and their roles in women's empowerment, poverty alleviation, and socio-economic progress. Islam [3] studied the influence of SHGs on the empowerment of women in the Nagaon District of Assam. Improvements in saving, the formal and informal lending of money, the income of the family, awareness, and participation in the decision-making process of the family were all observed in the study. Entrepreneurship development was still low due to a lack of the required support and linkages. Nath [4] studied social inclusion, governance, and women's economic empowerment in Assam. The study claimed that SHGs enable economically inactive women to integrate into the social and economic spheres of inclusion and empowerment. Brahma and Devan [5] studied SHGs and the empowerment of rural women in Assam. Their study showed that SHGs improved women's economic status, social standing, leadership, and financial empowerment. Hazarika [6] studied the impact of SHGs in Gumoria, Assam. He found that SHGs aided rural women in socio-economic advancement by providing more savings, income, and access to credit. Lagare, Talathi, Deorukhakar, and Naik [7] studied the impact of women SHGs on income, employment, investment, and savings in the South Konkan region of Maharashtra. The study claimed that joining SHGs increased their member's average income by 13.87 percent. Shanmugam [8] examined the challenges faced by SHG members in marketing their products and observed that SHGs contribute significantly to women's economic independence, self-confidence, and social status while also facilitating poverty reduction. Sarania [9] studied the impact of SHGs on the economic empowerment of women in Assam and found substantial improvements in income generation, savings behavior, decision-making power, and overall economic security among SHG members. Manikonda [10] developed a Women Empowerment Index comprising health, education, social, economic, and political dimensions to assess the impact of SHGs in Andhra Pradesh. The findings indicated considerable improvement in women's empowerment after joining SHGs. Singh [11] examined the effect of SHGs on the economic empowerment of rural women in Himachal Pradesh and reported improvements in income, savings, access to credit, leadership skills, and decision-making capacity. Reji [12] found that SHGs played a crucial role in enhancing women's income, savings, access to credit, self-employment opportunities, and economic independence in Kerala. Malathi and Vijayarani [13] investigated the impact of microfinance on women's empowerment in rural Tamil Nadu and reported significant improvements in economic status, credit accessibility, self-confidence, and decision-making power among SHG members. Savita and Jyothi [14] studied the role of SHGs in the socio-economic empowerment of women in Andhra Pradesh and Tamil Nadu. Their findings revealed that SHGs contributed substantially to income generation, social participation, and financial independence. Krishnan [15] examined the role of microfinance in achieving financial inclusion and women empowerment through the Kudumbashree programme in Kerala. The study concluded that access to microfinance improved savings habits, income levels, self-confidence, and social status among women.

III. OBJECTIVES OF THE STUDY

The major objectives of the study are:

1. To study the contribution of SHGs toward women's economic growth
2. To study the role of SHGs in improving women's income and economic condition.
3. To analyze the interrelationship among various dimensions of economic empowerment of women participating in Self-Help Groups

IV. RESEARCH METHODOLOGY

The present study examines the empowerment of women through Self-Help Groups (SHGs). The study is mainly based on primary data collected through a field survey using a pre-tested questionnaire. SHG members were taken as the unit of analysis to assess the impact of SHGs on women's empowerment. A multi-stage random sampling technique was used for selecting the respondents. Karimganj district of Assam was purposively selected as the study area. Among the seven development blocks of the district, North Karimganj and South Karimganj Development Blocks were chosen because of the larger presence of active SHGs. From each selected block, 25 SHGs were randomly selected, making a total of 50 SHGs. Thereafter, five members from each SHG were selected for interview. Thus, the final sample consisted of 250 SHG members (50 SHGs × 5 members each). Secondary data required for the study were collected from books, journals, government reports, publications, and records available in block offices and other relevant agencies. The collected data were analyzed using statistical tools such as frequency distribution, percentage analysis, the Wilcoxon Signed-Rank Test, and correlation analysis. Python software was used for data processing and statistical analysis.

V. RESULT AND DISCUSSION

5.1 Socio-Economic Profile of Respondents

Table 5.1 shows that the majority of SHG members were middle-aged women, with 36.4% belonging to the 36–45 years age group. Most respondents were married (74.8%), indicating that SHGs play an important role in supporting household livelihoods. In terms of education, the majority had primary (36.8%) or secondary (30.4%) education, suggesting that SHGs are accessible to women with modest educational backgrounds. The caste-wise distribution reveals that OBC women constituted the largest group (38.4%), followed by General (28.4%), SC (21.6%), and ST (11.6%) categories. Before joining SHGs, most respondents were engaged in trade and commerce (41.6%) and poultry and husbandry activities (26.8%), reflecting their involvement in informal economic activities. The significant p-values ($p < 0.05$) indicate that the observed distributions are statistically significant and not due to chance. Thus, the findings suggest that SHGs primarily attract married, middle-aged women from diverse socio-economic backgrounds and provide them with opportunities for economic participation and empowerment.

Table 5.1: Socio-Economic Profile of SHG Members (N = 250)

Variable	Category	Freq. (n)	Prop.	PC (%)	p-value
Age	Below 25	29	0.116	11.6	<0.0001
	25–35	80	0.320	32.0	<0.0001
	36–45	91	0.364	36.4	<0.0001
	Above 45	50	0.200	20.0	<0.0001
Marital Status	Married	187	0.748	74.8	<0.0001
	Unmarried	29	0.116	11.6	<0.0001
	Widowed/ Separated	34	0.136	13.6	<0.0001
Edu. Qualification	Illiterate	45	0.180	18.0	<0.0001
	Primary	92	0.368	36.8	<0.0001
	Secondary	76	0.304	30.4	<0.0001
	H.S. & Above	37	0.148	14.8	<0.0001
Caste	General	71	0.284	28.4	<0.0001
	OBC	96	0.384	38.4	0.00024
	SC	54	0.216	21.6	<0.0001
	ST	29	0.116	11.6	<0.0001
Occupation (Before Joining SHG)	Trade & Commerce	104	0.416	41.6	0.0080
	Poultry & Husbandry	67	0.268	26.8	<0.0001
	Daily Wage Working	46	0.184	18.4	<0.0001
	Petty Trade	33	0.132	13.2	<0.0001

Source: Field Survey, Karimganj District, Assam (2021)

5.2 Comparative Analysis of Income Before and After SHG Participation

Table 5.2: Change in Annual Income of SHG Members

Annual Income (₹)	Before Joining SHG (No.)	Before Joining SHG (%)	After Joining SHG (No.)	After Joining SHG (%)
Less then 10,000	144	57.6	58	23.2
10,000–20,000	65	26.0	133	53.2
20,000–30,000	27	10.8	40	16.0
30,000 & above	14	5.6	19	7.6

Total	250	100.0	250	100.0

Source: *Field Survey, Karimganj District, Assam (2021)*

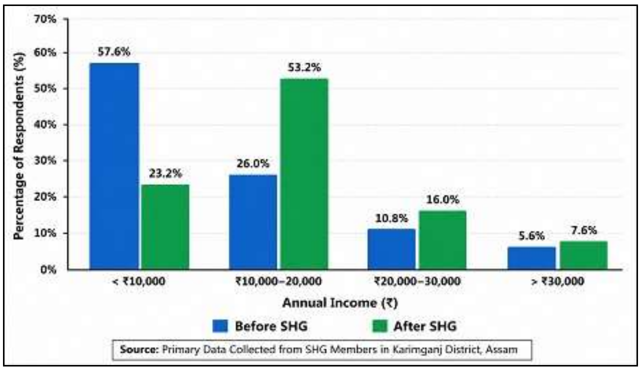

Fig 5.1: Percentage distribution of annual income before and after SHG participation

Table 5.3: Wilcoxon Signed-Rank Test on Annual Income Before and After Joining SHGs

Test Statistics	**Value**
Z	-5.81
Asymp. Sig. (2-tailed)	0.000

Category	**N**	**Mean Rank**	**Sum of Ranks**
Negative Ranks (Income After < Income Before)	85	106.32	9037
Positive Ranks (Income After > Income Before)	165	135.38	22337
Ties (Income After = Income Before)	0	–	–
Total	250	–	–

Table 5.2 reveals a considerable improvement in the annual income of SHG members after joining Self-Help Groups. The proportion of respondents earning less than ₹10,000 annually decreased substantially from 57.6% before joining SHGs to 23.2% after joining. In contrast, the percentage of respondents earning between ₹10,000 and ₹20,000 increased from 26.0% to 53.2%. Similarly, the proportion of women earning ₹20,000–30,000 and above ₹30,000 also increased after SHG participation. These changes indicate a positive shift in the income levels of rural women following their involvement in SHG activities. To determine whether this improvement was statistically significant, a Wilcoxon Signed-Rank Test was conducted. The results show a significant difference between annual income before and after joining SHGs (Z = -5.81, p = 0.000). Since the p-value is less than 0.05, the null hypothesis of no difference in income is rejected. Table 5.3 further supports this finding. Out of 250 respondents, 165 recorded higher income after joining SHGs (positive ranks), whereas only 85 respondents experienced a decline in income (negative ranks). The higher mean rank (135.38) and sum of ranks (22,337) for positive differences compared to negative differences (mean rank = 106.32; sum of ranks = 9,037) indicate that the increase in income was more common than decrease in income among the respondents. The Wilcoxon Signed-Rank Test confirms that participation in SHGs has significantly improved the annual income of women in Karimganj District. The findings demonstrate the effectiveness of SHGs in enhancing economic opportunities, promoting income-generating activities, and strengthening the financial position of rural women.

5.3 Economic Empowerment achieved through SHGs

Economic empowerment is one of the most significant outcomes of participation in Self-Help Groups (SHG). Through regular savings, access to credit, skill development, and income-generating activities, SHGs enable members to improve their financial condition and become more self-reliant. The responses of the members are presented in Table 5.4.

Table 5.4: Benefits Derived by SHG Members after Joining SHGs

Economic Empowerment Factors	**No. of Respondents**
Economic Independence	198
Asset Ownership	83
Habit of Saving	176
Repayment Capacity	159
Understanding Banking Operations	105
Started Business	172

Source: *Field Survey, Karimganj District, Assam (2021)*

Table 5.5: Correlation Matrix of Economic Empowerment Factors among SHG Members

Economic Empowerment Factors	EI	AO	HS	RC	UBO	SB
Economic Independence (EI)	1					
Asset Ownership (AO)	0.361**	1				
Habit of Saving (HS)	0.596**	0.383**	1			
Repayment Capacity (RC)	0.595**	0.498**	0.548**	1		
Understanding Banking Operations (UBO)	0.396**	0.415**	0.410**	0.408**	1	
Started Business (SB)	0.527**	0.420**	0.566**	0.603**	0.486**	1

*** correlation is significant at the 0.01 level (2-tailed)*

The correlation analysis in table 5.5 shows that all economic empowerment factors are positively and significantly related to one another. The highest correlation is observed between Started Business and Repayment Capacity ($r = 0.603$, $p<0.001$), indicating that entrepreneurial activities improve financial stability. Economic Independence is also strongly associated with Habit of Saving ($r = 0.596$, $p<0.001$) and Repayment Capacity ($r = 0.595$, $p<0.001$). These results suggest that savings behavior, business activities, financial literacy, and repayment ability collectively contribute to the overall economic empowerment of SHG members. Thus, participation in SHGs has played an important role in improving the economic condition of members.

VI. CONCLUSION

The study shows that Self-Help Groups (SHGs) have played an important role in improving the economic condition of rural women in Karimganj District, Assam. After joining SHGs, women experienced an increase in income, developed better saving habits, improved their repayment capacity, and gained greater knowledge of banking activities. Many members also started small businesses and became more financially independent. The statistical analysis confirms that the improvement in income after joining SHGs is significant. Thus, SHGs have helped women become more self-reliant and economically empowered. Therefore, strengthening SHGs through financial support, training, and better market opportunities can further improve the lives of rural women and contribute to rural development.

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