

# ArSRLM and Rural Women Economic Empowerment Through Self Help Groups (SHGs) in Arunachal Pradesh

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## Abstract

Women's economic empowerment is a cornerstone of inclusive and sustainable rural development, particularly in tribal and geographically remote regions. In India, the Deendayal Antyodaya Yojana – National Rural Livelihoods Mission (DAY-NRLM) promotes Self Help Groups (SHGs) as key community institutions for poverty alleviation and women-led development. In Arunachal Pradesh, this mandate is implemented through the Arunachal State Rural Livelihoods Mission (ArSRLM). The present study empirically examines the contribution of ArSRLM in fostering rural women's economic empowerment through SHGs, using secondary data drawn from official ArSRLM dashboards, NRLM performance reports, and authenticated government-linked media sources. The analysis focuses on SHG formation, household coverage, institutional federations, credit linkages, and market-based livelihood outcomes. Data indicate that ArSRLM has mobilized over 1.35 lakh rural households into more than 14,400 SHGs, supported by a multi-tier federation structure and increasing access to institutional credit. The findings suggest that SHGs under ArSRLM have enhanced women's access to financial resources, livelihood opportunities, and collective agency. However, challenges related to scale, market access, and sustainability remain. The paper concludes with policy recommendations aimed at strengthening data-driven planning, market integration, and capacity-building to deepen women's economic empowerment in Arunachal Pradesh.

**Keywords:** ArSRLM, Self Help Groups, Women Economic Empowerment, Rural Livelihoods, Financial Inclusion, Arunachal Pradesh, DAY-NRLM.

## 1. Introduction

Economic empowerment of rural women is widely recognized as a critical pathway for poverty reduction, social inclusion, and sustainable development. In developing economies like India, women's participation in economic activities contributes not only to household welfare but also to broader rural transformation. Despite their substantial involvement in agriculture and allied activities, rural women often face structural barriers such as limited access to credit, markets, skills, and institutional support. Arunachal Pradesh represents a distinct development context. The state is predominantly rural and tribal, characterized by difficult terrain, scattered habitations, and limited connectivity. According to rural development indicators, livelihood opportunities are largely dependent on subsistence agriculture, forest-based activities, and traditional crafts. Women play a central role in these activities, yet their work remains largely informal, underpaid, and unsupported by formal financial systems.

To address rural poverty in a systematic manner, the Government of India launched the Deendayal Antyodaya Yojana – National Rural Livelihoods Mission (DAY-NRLM). The mission aims to mobilize poor rural households into Self Help Groups (SHGs), build their institutional capacities, and promote sustainable livelihoods through financial inclusion and market linkage. In Arunachal Pradesh, the Arunachal State Rural Livelihoods Mission (ArSRLM) functions as the nodal implementing agency of DAY-NRLM. Understanding the scale, structure, and outcomes of ArSRLM interventions is essential for assessing its role in women's economic empowerment.

## 2. Conceptual Framework

Women's economic empowerment in this study is conceptualized following Kabeer's (1999) framework, which defines empowerment as a process involving access to resources, exercise of agency, and achievement of outcomes. SHGs serve as institutional mechanisms that facilitate access to financial resources (savings and credit), enhance women's agency through collective decision-making, and lead to tangible economic achievements such as increased income and asset creation.

From a livelihoods perspective, the NRLM framework emphasizes diversification of income sources, strengthening of human and social capital, and reduction of vulnerability. ArSRLM interventions such as SHG formation, federation building, credit linkage, and livelihood promotion align with this framework and form the basis of the present analysis.

## 3. Review of Literature

A growing body of literature examines the role of Self Help Groups (SHGs) and livelihood missions in promoting women's economic empowerment in rural India. The review is organized thematically to situate the present study within existing scholarship and to identify research gaps specific to Arunachal Pradesh.

### 3.1 SHGs, Microfinance and Women's Economic Empowerment

Early studies on SHGs and microfinance highlight their potential to address credit constraints faced by rural women. Yunus (1999) demonstrated that group-based microcredit enhances women's access to financial resources while reducing transaction costs and credit risk. In the Indian context, NABARD (2015) reported that the SHG–Bank Linkage Programme significantly improved savings habits, credit access, and repayment behavior among women.

Kabeer (2005) emphasized that access to financial services through collective institutions strengthens women's bargaining power within households and enhances their role in economic decision-making. Mayoux (2010) further argued that SHGs contribute to empowerment not merely through income, but by fostering social capital, solidarity, and collective agency. Empirical evidence from states such as Andhra Pradesh, Tamil Nadu, and Kerala shows that SHG participation leads to higher household income, asset creation, and reduced vulnerability to shocks (Swain & Wallentin, 2009; Garikipati, 2012).

### 3.2 SHGs and Livelihood Diversification under NRLM

With the launch of NRLM, the focus of SHGs expanded from microcredit to comprehensive livelihood promotion. According to the Ministry of Rural Development (2019), NRLM emphasizes institution building, financial inclusion, and promotion of farm and non-farm livelihoods. Studies by Deininger and Liu (2013) found that NRLM-supported SHGs improved women's participation in economic activities and enhanced their control over income.

Ravi and Engler (2015) observed that NRLM interventions strengthened women's confidence and leadership skills, enabling them to engage with markets and local institutions. Singh and Padhi (2019) highlighted that federated SHG structures under NRLM enhance sustainability and scale of livelihood interventions by providing collective bargaining power and access to larger value chains.

### 3.3 SHGs in Tribal and North-Eastern India

The literature on SHGs in tribal and North-Eastern regions underscores the importance of contextual adaptation. Saikia (2017) noted that geographical isolation, weak infrastructure, and limited market access pose challenges to SHG sustainability in the North-East. However, collective institutions remain crucial for overcoming social and economic marginalization of tribal women.

Roley, Toko, and Tamuli (2024) provided empirical evidence from Arunachal Pradesh, showing that SHG membership significantly improved women's income-generating capacity, savings behavior, and self-confidence. Pandey and Yarang (2022), in their study of Lohit district, found that SHGs contributed to political awareness, leadership, and participation of women in local governance. Similar findings were reported by Dutta and Bordoloi (2020) in Assam, where SHGs enhanced women's economic independence and social mobility.

### 3.4 Studies on NRLM and ArSRLM

National-level evaluations of NRLM indicate mixed but generally positive outcomes. The World Bank (2018) assessment of NRLM highlighted improvements in institutional capacity, financial inclusion, and livelihood diversification among SHG members. However, the study also pointed to regional disparities in outcomes, particularly in hilly and remote states.

Specific academic studies on ArSRLM remain limited. Available mission reports and media-based analyses suggest that ArSRLM has achieved substantial outreach in terms of SHG formation and household mobilization. However, scholars such as Saikia and Das (2021) argue that the absence of detailed district-level data and long-term impact evaluations constrains rigorous assessment of empowerment outcomes in Arunachal Pradesh. This gap underscores the relevance of the present study, which seeks to analyze ArSRLM's performance using available empirical data.

## 4. Objectives of the Study

1. To analyse the scale and institutional structure of SHGs promoted under ArSRLM in Arunachal Pradesh.
2. To examine the extent of financial inclusion and credit linkage achieved through SHGs.
3. To assess the contribution of SHGs to rural women's economic empowerment using available data.
4. To suggest policy measures for strengthening women-centric livelihood interventions under ArSRLM.

## 5. Methodology

The study is based entirely on secondary data collected from official ArSRLM dashboards, NRLM state performance reports, Ministry of Rural Development publications, and authenticated government-linked media reports. A descriptive and analytical research design is adopted. Quantitative data are presented using tables, followed by interpretative analysis linking institutional performance with empowerment outcomes. The study period broadly covers the recent phase of NRLM implementation, subject to data availability. The analysis is limited by the absence of long-term time-series and disaggregated household income data.

## 6. ArSRLM Institutional Coverage and SHG Formation

**Table 1: Institutional and SHG Coverage under ArSRLM**

Indicator	Number
Rural households mobilized	135,754
Self Help Groups (SHGs) formed	14,405
Primary Level Federations (PLFs)	1,448
Cluster Level Federations (CLFs)	75
Community cadre (IBCB)	1,648
Districts covered	27
Blocks covered	128

*Source: ArSRLM Institutional Building and Capacity Building (IBCB) Dashboard.*

**Analysis:** The data indicate substantial institutional outreach of ArSRLM across the state. Mobilization of over 1.35 lakh households into SHGs reflects significant penetration in a geographically challenging region. The presence of multi-tier federations strengthens collective governance, sustainability, and access to services for women members.

## 7. Financial Inclusion and Credit Linkages

Access to institutional finance is a critical dimension of women’s economic empowerment. ArSRLM facilitates SHG-bank linkage through partnerships with commercial banks and regional rural banks.

**Table 2: SHG Credit Linkage under ArSRLM (Selected Data)**

Indicator	Value
SHGs receiving bank credit	789
Total credit disbursed (₹ crore)	8.27
Major banking partner	State Bank of India

*Source: Government-linked media reports on DAY-NRLM credit disbursal.*

**Analysis:** The disbursal of ₹8.27 crore to SHGs demonstrates the gradual integration of rural women into formal financial systems. While coverage remains limited relative to total SHGs formed, the data reflect a positive trajectory toward financial inclusion.

## 8. Livelihood Promotion and Market Access

Beyond credit, ArSRLM supports livelihood diversification and market exposure through exhibitions and fairs.

**Table 3: SHG Market Performance – SARAS Fair**

Indicator	Value
Total SHG sales (₹ crore)	1.30
Nature of products	Handicrafts, food products, agro-based items

*Source: Arunachal SARAS Fair reports.*

**Analysis:** Sales worth ₹1.3 crore indicate the income potential of SHG-based enterprises when supported by market platforms. Such initiatives enhance visibility, income realization, and entrepreneurial confidence among rural women.

## 9. Discussion: Women's Economic Empowerment Outcomes

The data reveal that SHGs under ArSRLM contribute to women's economic empowerment through multiple pathways. Regular savings and access to bank credit enhance financial security and reduce dependence on informal lending. Participation in income-generating activities increases household income and economic resilience. Institutional membership fosters collective agency, leadership skills, and participation in decision-making processes at household and community levels.

However, the relatively low proportion of SHGs accessing formal credit and structured markets highlights the need for scaling up financial and market interventions. Strengthening value chains and enterprise capacities remains crucial for sustaining empowerment gains.

## 10. Conclusion

The Arunachal State Rural Livelihoods Mission has established a robust institutional framework for promoting women-led Self Help Groups in Arunachal Pradesh. Data-driven analysis indicates significant progress in household mobilization, SHG formation, and initial stages of financial inclusion and livelihood promotion. While measurable economic empowerment outcomes are evident, the full potential of SHGs can be realized through deeper credit penetration, stronger market linkages, and enhanced capacity-building. ArSRLM's experience underscores the importance of context-specific, institution-based approaches for empowering rural women in tribal and remote regions.

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