



Materiality of Self Help Groups on Accreditation of Women: A Study in Krishna District, Andhra Pradesh

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ABSTRACT

Women empowerment is a process in which women challenge the existing norms and culture, to effectively promote their well being. The Indian state of Andhra Pradesh, one of India's poorest, has used development self-help groups (SHGs) extensively as a primary tool of poverty alleviation and empowerment. The participation of women in Self Help Groups (SHGs) made a significant impact on their empowerment both in social and economical aspects. This study addresses women empowerment through self help groups in Krishna district of Andhra Pradesh. The information required for the study has been collected from both the primary and secondary sources. A multi stage random sampling method has been followed. Average and percentage analysis was carried out to draw meaningful interpretation of the results. Garret ranking technique was used to find the reasons for joining the Self help group. Factor analysis was used to determine the relationship between the observed variables. The results of the study revealed that the SHGs have had greater impact on both economic and social aspects of the beneficiaries.

KEYWORDS : Woman empowerment, SHG, Krishna, Andhra Pradesh

1. INTRODUCTION

Self Help Groups (SHGs) could be defined as the organised forum of people which is planned, shaped and structured by the people themselves to attain present/pre-identified goals and purposes. These groups are the agents of social change and catalysts for the entire empowerment and development process in a community. It is proved that the most sustainable groups in a society are the grassroots level community organisations which believe in empowerment, decentralisation, and participation. Even though these groups are small in size their advocacy power is high through their federated structure within the locality and also in the region. One major form of SHG that is popular in India is the savings and credit group model.

Community-based self help institutions are being promoted at the village level to take responsibilities for a variety of development activities, which include management of natural resources, employment generation, and human resource development. Most government programmes emphasise adoption of participatory approaches envisaging participation of village communities through these institutions. The Indian state of Andhra Pradesh, one of India's poorest, has used development self-help groups (SHGs) extensively as a primary tool of poverty alleviation and empowerment. A SHG is a small group of persons who come together with the intention of finding a solution to a common problem. Reports indicate that self help programmes in the form of savings and credit micro credit schemes have succeeded in changing the lives of poor women in enhancing their incomes and increasing their self esteem. Therefore, it is appropriate and necessary to promote such empowered groups in the present situation.

2. LITERATURE SURVEY

During the course of the study, the study of several authors was referred and it is imperative that an outline of the literature survey is put to note and the following references are worth mentioning. Rekha Goankar (2001) in her study concluded that the movement of SHGs can significantly contribute towards the reduction of poverty and unemployment in the rural sector of the economy and the SHGs can lead to social transformation in terms of economic development and the social change. Nailakabeer (2005) in a study apparently concludes that while access to financial services can and does make important contributions to the economic productivity and social well-being of poor women and their households, it does not "automatically" empower women – any more than do education, political quotas, access to waged work or any of the other interventions. It has been observed by M. Anjugam (2007) that socially backward, landless and marginal farmhouse holds participate more in the self help group

programme. Possession of livestock and consumer goods by the member households has been found to deter the joining of group. Gladis Mary John (2008) found that membership in SHG inculcated a great confidence in the mind of majority of women to succeed in day to day life. Positive change was found in the attitude of relatives and friends towards the women in self help groups.

3. STATEMENT OF PROBLEM

Several studies indicate that self help group programmes soften the form of credit or micro credit schemes and savings have succeeded in changing the lives of poor women by making way for enhanced income and increased self-esteem. This is evident from the mushrooming growth of self-help groups in the state. This study is undertaken to analyse the structure, conduct and performance of self help groups and their impact on the women in Dharmapuri district, Tamilnadu.

4. OBJECTIVES

The objectives of this study are:

1. To study the socio-economic profile of SHG women
2. To analyse the reasons for joining SHG
3. To study the structure, conduct and performance of self help groups
4. To find the impact of SHGs in women

5. METHODOLOGY

Andhra Pradesh (2000) was studied by Y. Indira Kumari and B. Sambasiva Rao. The objectives were to examine the origin, concept and strategy of women self help groups and functioning of groups under the programme Development of Women and Children in Rural Areas in Nuzvid Division of Krishna District Andhra Pradesh. The case study taken up in Nuzvid Division highlighted how the 194 DWRCAs composed of 2512 women supported themselves for upliftment as a part of remedy for the alleviation of poverty.

6. ORIGIN AND CONCEPT OF SHGs

The origin of Self Help Groups (SHGs) is the brain child of Grameen Bank of Bangladesh, founded by Prof. Mohammed Yunus in 1975, who tried out a new approach to rural credit in Bangladesh. Grameen gave loans without asking borrower either to provide collateral or engage in paper work. In India NABARD initiated SHGs in the year 1986-87. But the real effort was taken after 1991-92 from the linkage of SHGs with the banks. ASHG is a small economically homogeneous affinity group of the rural poor voluntarily coming forward to save a small amount of money regularly, which is deposited in a common fund to meet the members' emergency needs and to provide collateral free loans decided by the group. The SHGs have been recognised as a useful tool to help the poor and as an alternative mech-

anism to meet the urgent credit needs of poor through thrift (N. Thilavai pillai and S. Nadarajan 2010)

V M Rao's Study "Dairy Women And Self Help Groups A Study in Andhrapradesh and Karnataka was an attempt to present the genesis and development of self help groups in India and to document the working of women managed SHGs in the study area The data collected was spread over six districts of Andhra Pradesh.

7.WORKING OF SHGs

The SHGs in India are small, informal and homogenous groups of not more than twenty members each. Among them a member is selected as an animator and two members are selected as representatives. The animator is selected for a period of two years. Members of the group meet every week. They discuss social and community programmes, group savings, rotation of funds, bank loan and repayment of loan. The group members are encouraged to make voluntary thrift on a regular basis. These pooled resources are used to make small interest bearing loans to their members. The process helps the members imbibe the essentials of financial intermediation including prioritization of needs, setting terms and condition, and accounts keeping. This gradually builds financial discipline in all of them. Once the groups show this mature financial behavior, banks are encouraged to make loans to the SHG in certain multiples of the accumulated savings of the SHG. The bank loans are given without any collateral and at market interest rates. (Progress of SHG-Bank linkage in India 2003-2004, NABARD)

8. SHGs IN THE STUDY AREA

This paper initially tracks the evolution of policies on the SHG model with reference to Andhra Pradesh. It then discusses the linkages between management and livelihood issues that predicated the SHG-Model. The paper then goes on to focus on the extent to which the SHGs formed by the Government Government promoted development organisations emerge on their own, i.e., exhibit characteristics that distinguish them as institutions as against a collection of individuals.

The number of SHGs in Andhra Pradesh had increased significantly over the years which in turn has helped in reducing rural poverty from 26.53% in 1983 to 11.05% in 1999-2000.

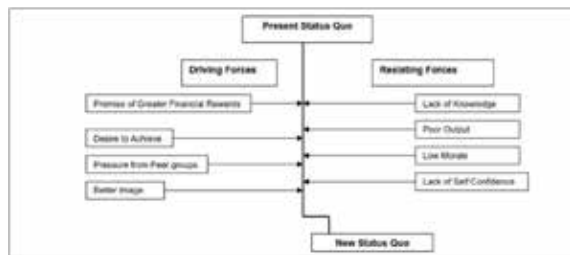
As women are an important part of the community, it is necessary to build and enhance their capabilities to manage community projects SHGs have been instrumental in empowering women by enabling them to work together as a collective agency. The participation of women in such groups is serving as an incubator for community leadership.

Table 1: Rural Population of Andhra Pradesh Below Poverty Line

	1983	1993-94	1999-00
No. of Persons (in Lakhs)	114.34	79.49	58.13
% of Persons under BPL	26.53	15.92	11.05
Poverty line (Rs.)	72.00	163.03	262.94

Source: Planning Commission, Government of India.

9. THE STRENGTH OF FORCES FOR SHG MEMBERS



Average and percentage analysis was carried out to draw meaningful interpretation of the results. Garret ranking technique was used to find the reasons for joining the Self help group. Factor analysis used to determine the relationship between the observed variables.

10.1 REASONS FOR JOINING SELF-HELP GROUP

For carrying out this analysis, the members of SHGs were asked to prioritize the specific reasons for joining the groups. To analyze the reasons for joining the group by the member households, all the possible reasons were made known to the members of self-help groups.

They were asked to rank the reasons in the order of their importance. The ranks given by them were quantified using the Garrett Ranking Technique (Garrett, 1969) using the following formula:

$$\text{Per cent position} = \sum_{j=1}^n [(R_{ij} - 0.5) / N_j] \times 100 \quad \dots(1)$$

where,
 R_{ij} = Rank given for the i^{th} item by the j^{th} individual, and
 N_j = Number of items ranked by the j^{th} individual.

TABLE I: Reasons for Joining SHG

	Rank						Mean Rank
	I	II	III	IV	V	VI	
To repay old debts	126	186	148	32	39	69	2.688
To maintain house expenditure	186	173	44	22	60	116	2.432
To promote savings	137	119	78	30	64	172	3.369
To raise status in society	78	56	145	118	120	85	4.802
To promote income generating activities	58	50	139	145	130	78	4.339
To get loan	18	16	46	253	187	80	3.378

Source: primary data

From the Table I and III, it is clear that, "To raise status in society" is the prime reason for respondents joining the SHG, followed by, "To promote income generating activities". The next reason was, "To get loan". The fourth reason was, "To promote savings" and then the next reason was, "To repay old debts". "To maintain house expenditure" stood as the last reason for joining the SHG.

TABLE II: Reasons for Joining SHG

S.No	Reasons	Score		
		Total	Mean	Rank
1	To repay old debts	21883.33	36.5	5
2	To maintain house expenditure	19316.67	32.2	6
3	To promote savings	28683.33	47.8	4
4	To raise status in society	43016.67	71.7	1
5	To promote income generating activities	38383.33	64.0	2
6	To get loan	28783.33	48.0	3

Source: primary data

10.2. STRUCTURE, CONDUCT AND PERFORMANCE OF SHGs

10.2.1 DISTRIBUTION OF THE RESPONDENTS ON THE BASIS OF AGE OF THE GROUP.

TABLE-III Distribution of the Respondents on the Basis of Age of the Group

Age of the group	No. of respondents	Percentage
below 3 years	150	25.0
3-5 years	168	28.0
Above 5 years	282	47.0
TOTAL	600	100

Source : primary data

Majority of the respondents 47% belonged to the groups which were established five years ago. 28% of the respondents belonged to groups with a age of 3-5 years. 25% of the respondents groups were established less than three years ago.

10.2.2 DISTRIBUTION OF THE RESPONDENTS ON THE BASIS OF MEMBERSHIP IN THE GROUP

TABLE-IV Distribution of the Respondents on the Basis of Membership in the Group

No. of Years in the Group	No. of Respondents	Percentage
Below 2 years	72	12.0
2-3 years	189	31.5
3-5 years	189	31.5
5-7 years	112	18.7
Above 7 years	38	6.3
Total	600	100

Source: primary data

31.5% of the respondents are members in the group for 2-3 years, and 3-5 years. 18.7% of the members are in the group for 5-7 years. 12.0% of the respondents are in the group for less than 2 years. 6.3% of the members have stayed in the group for more than 7 years

10.2.3 NUMBER OF LOANS TAKEN BY THE RESPONDENT THROUGH SHG

TABLE-V Number of Loans Taken by the Respondent Through SHG

Number of Loans taken	No. of Respondents	Percentage
One	48	8.0
2-4	416	69.3
4-6	68	11.3
More than 6	68	11.3
TOTAL	600	100

Source: primary data

Majority of the respondents 69.3% have taken 2-4 loans. The respondents who have taken loans 4-6 times and more than 6 times are 11.3% respectively. 8% of the respondents have taken only one loan.

Total Groups	4,57,526
Women Covered (Members)	61,10
Savings (Rs. in crores)	847.06
Govt. Assistance (Rs. in crores)	660.83
Total Corpus (Rs. in crores)	1,507.89
Loan mobilised from banks under SHG linkage programme (Rs. in crores)	1,160.71
Average Savings per groups (Rs.)	18514
Average Credit per group (Rs.)	32975
Average Corpus per group (Rs.)	32957

Source: Women Empowerment and Self Employment Department, 2003, AP

NABARD, commercial banks and Regional Rural Banks are providing direct assistance to SHGs under the "Self-Help Linking Scheme" of NABARD. Cumulatively, till 31st March 2003, NABARD had linked 7.17 lakh SHGs and were provided with bank loans, out of which 2.18 lakh (30.4%) SHGs are from Andhra Pradesh. More than 90% of the SHGs linked to banks are exclusive women SHGs (See Table 2).

Southern States	No. of SHGs credit linked	SHGs refinance linked	Bank loan (Million Rs.)	Refinance (Million Rs.)
Andhra Pradesh	281,338	193,959	9,753.87	6,839.57
Karnataka	62,178	39,719	1,440.14	940.16
Kerala	21,012	11,156	644.87	273.77
Tamil Nadu	98,410	86,532	4,255.16	3,864.77

Source: NABARD www.nabard.org

11. TYPES OF SELF-HELP BASED ORGANIZATIONS

There are several constraints to the proper identification of affinity groups and several programmes in operation which describe the functional units at the field level as "groups" are not SHGs in most cases. The means used by the interveners to identify these affinity groups are several, a few popular ones include:

Water Users' Associations (WUA) Watershed Development Committees (WDC) Vana Samrakshana Samithi (VSS) Women and Children in Rural Areas (DWCRA) Development of Women and Children in Urban Areas (DWCUA) Chief Minister's Empowerment of Youth (CMEY)

Organisation Name	Estimated no. of Groups Formed	Remarks
Government Organisations		
Women Empowerment and Self Employment	457,526	Under DWCR/A programme
Rural Development Department	7,857	Under watershed committees as part of Water Conservation Mission (Neeru - Meeru)
Youth Services Department	13,475	CMEY Programme
Forest Department	7,090	Vana Samrakshana Samithies Under JFM Programme
Irrigation and Command area Development	10,294	Water Users Association
Distric Primary education Programme	81,000 (approx.)	School Education Committees
ICDS	52,933	Mothers Committees
Society for Elimination of Rural Poverty		SHG/ Village Organisations/ Mandal Smakya
Non Governmental Agencies		
CARE, Andhra Pradesh	6,337	Under CASHE Project

The capacity for collective action is crucial for the successful management of common property natural resources, as the communities are required to regulate the use of natural resources as the communities are required to regulate the use of natural resources and adopt appropriate management practices to improve or maintain productivity. A variety of actions are required on the part of communities.

12. HYPOTHESIS

In Andhra Pradesh, one noteworthy observation relates to the linkages between different approaches towards development, poverty reduction and empowerment. It is not merely enough to address the economic indicators of poverty. While incomes have to be augmented through livelihood generation interventions, for which credit is an important component, attention also has to be paid to the determinant of human poverty in terms of health and education requirements. Likewise, social poverty, which manifests in the presence of corrosive evils like caste taboos, norms of dowry, adherence to vices such as alcohol and drugs, have to be woven into empowerment programs. Learning and experimentation has been carried out at several times, for example with respect to the rice creditline, emulating the Jamked community health model, and the Gender Equity in the Family project. While credit has to be given to courage for experimentation, it is necessary for successful experiments to be deepened and also expanded.

13. KEY POLICIES AND RELATIONSHIPS WITH LIVELIHOODS

Paves their access to financial services without physical collateral. Enables them to expand their micro enterprises. Enables them to take advantages of profitable investment opportunities. Helps them diversify their economic activities. Institutional Capacity Building. Capacity-building of the SHGs and their federations need to be given adequate attention. The Government and NGOs should develop state level, district and mandal level training capabilities so that the capacity-building of the members of the organisation is taken up depending on the need and the demand of the groups. An effective mechanism to regularly carry out the rating of the groups should also be undertaken. Helps them adopt better technologies; Enhances their ability to absorb external shocks. Strengthens their self-confidence as bank customers and Empowers women as entrepreneurs.

so that developmental inputs can be targeted in a more transparent manner. The organisations of the poor, being participatory bodies, will forge harmonious partnerships with representative bodies such as Gram Panchayats, Mandal Parishads and Municipal bodies.

Table 5: Social Networks in Andhra Pradesh

Social Networks	Department	Characteristics Of Networks	Expected Outcomes	Achievement
Women’s Self Help Groups (SHGs)	Women Empowerment and Self Employment	Membership exclusively for women with savings and credit as main activity	Women Empowerment—better economic opportunities	Better access to credit, greater social mobilisation, empowerment
Water Users’ Associations	Major & Minor Irrigation	Better water management Community management	Treatment of water bodies	Community management of local resources
Vana Samrakshana Samithies	Forest	Community forest management	Forest based livelihoods	Better resource management, forest based livelihoods
Mothers’ Committees	Women Development & Child Welfare (ICDS)	Child care Women’s health	Nutrition, childcare and Health	Enhanced MMR, IMR
Parents’ Committees	Education	School Education	Quality of School Education	Better enrolment and retention rates
Watershed Associations	Commissioner Rural Development	Better water management Community management	Self reliance of community watershed resource management	Community management of local resources
Youth Groups	Youth welfare	Membership exclusively youth	Livelihoods Improved access to information	Better livelihood opportunities



13. RESULTS AND DISCUSSION

1. The results indicate that, To raise status in society "is the primere as on for respondents joining the SHG, followed by, To promote income generating activities"
2. Majority of the respondents were experienced 47% belonged to the groups which were established five years ago.
3. It is inferred that 31.5% of the respondents are members in the group for 3-5 years. Similarly respondents who are members in the group for 2-3 years is also 31.5%.
4. Majority of the respondents 69.3% have taken 2-4 loans. There-spondents who have taken the highest number of loans i.e. more than 6 times are 11.3%
5. Majority 60.83 % of the respondents have repaid loan 2-4 times. The comparison between loans availed and repaid shows that the respondent sare prompt in repaying their loans.
6. Regarding the latest loan taken by the respondents majority of them 37.7% have taken loan above Rs.20,000
7. From the mean scores among the respondents a null hypothesi-sis established and the result shows, there is no significant differ-ence in the mean scores on factors of empowerment after joining the group among respondents
8. The factoranalysis condensed and simplified the 8 statements on indicators of empowerment and was grouped into 2 factor sex-plaining 57.105 % of the variability of all the 8 statements.

14. CONCLUSION

The study shows that the main reason for joining SHG is not be mere-ly to get just credit, it in an empowerment process After joining the self help group the women are economically and socially empow-ered.. This empowerment can not be transformed ordelivered it must be self generated such that it enables those who are empowered to take control over their lives. As cited by Karl Empowerment is a pro-cess of awareness and capacity building leading togreater participa-tion, to greater decision- making power and control, and to trans-formative action (Karl,1995:14).

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