



## IMPACT OF MICROFINANCE ON SOCIO-ECONOMIC CONDITIONS OF SHG WOMEN IN CHITTOOR DISTRICT, ANDHRA PRADESH

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**ABSTRACT** Self-help groups (SHGs) in India represent a unique and holistic approach for financial intermediation. The main aim of SHGs is to improve economic conditions. The SHGs enable women to grow then savings and to access the credit which banks are willing to lend. More than 30 per cent of the respondents are in the age group of 36 – 45 years, one fourth of the respondents belong to BC community and 82 per cent of the respondents are Hindus. Around 63 per cent of the respondents have up to upper primary education and more than 41 per cent of the respondents have agriculture as primary occupation. Around 48 per cent of the respondents have pucca house and around 72 per cent of the respondents have the income in the range of Rs.10000 – 20000.

### KEYWORDS :

#### INTRODUCTION

In India, self help groups (SHGs) represent a unique approach to financial intermediation. The approach combines access to low-cost firm was services with a process of self management and development for the women who are SHG members. Linked not only banks but also to wider development programs, SHGs confer many benefits both economic and social. The SHGs enable women to grow then savings and to access the credit which banks are willing to lend. The SHGs also can be community platforms from which women became active in village affairs stand for local elections as take action to address social issues. Moreover, the SHGs also act as mechanism empowerment of women. Of late, women's empowerment has been receiving due attention as women continue to be the victims of exploitation particularly in the unorganized sector. Majority of the people in India live in rural areas and are engaged mainly in agriculture sector. It becomes strikingly clear that social and political forces resist women rights in the name of religious, cultural or ethnic traditions. This has led to the process of marginalization and oppression of women by preventing women from participating in nation – building economic activities. In this direction, the micro-finance precisely act as instruments for the economic empowerment of women through SHGs.

#### REVIEW OF LITERATURE

V. V. Desai (2011) opined that the enhancement of entrepreneurship qualities among the members of self help groups is a significant step towards social and economic empowerment of women. Status of women has also improved by joining the SHGs. His suggestions for improvement are the development of skill oriented training programmes, encouragement of good leadership in the group and constant guidance and support through the government and non-government organizations.

Amita Rani and Pawan Kumar Dhiman (2012) focused on the role of micro-finance in promoting entrepreneurial culture among the SHG's members of Jakhhal district Fatehabad, Haryana. The study found that these groups were not working up to the mark due to conservative family culture and poor educational background of the masses. Moreover, among surveyed group members after starting SHG activities only 6 per cent of the member's family income increased more than Rs.20,000 per annum, 55 percent's income increased up to Rs.20,000 annually, 26 per cent's income in-creased up to Rs.10,000 and 13 per cent members income had not improved in the post SHG period and forfeiting the objectives of the government policies.

Sanjay Kanti Das and Amalesh Bhowal (2013) in their article aired that the Self Help Groups (SHGs) emerged as an important strategy for empowering women and to alleviate poverty. The main objective of this paper is to assess the opinion of the direct stakeholders of SHGs regarding the issue whether SHG is an empowerment model. The study is conducted by using multi-stage random sampling method to collect primary data from the selected Development Blocks of Nagaon districts of Assam. It observed from the descriptive statistics on item wise perception of stakeholders about SHG as empowerment model, out of forty (40) elements of empowerment, in thirty four (34) elements relating to Empowerment construct relating to SHGs whose mean value is positive are considered as the main elements of the respective construct.

According to Ramakrishna et al (2013), Self-Help Groups are formed for addressing their common problems. They make regular savings habit and use the pooled savings for the benefit of their members through a structured process of essential financial intermediation like prioritization of needs, setting self-determined terms for repayment and keeping records. It builds financial discipline and credit history that then encourages banks to lend to them in certain multiples of their own savings and without any demand for collateral security. The present study is based on secondary data source and considered as the powerful instrument for women empowerment and eradication of poverty.

Kasthuri et al. (2014) in their article on A Case Study of Self-Help Groups in Dharmapuri District opined that Self-Help Group is a well-known concept in recent trends. The main aim of SHG is to improve economic conditions. The SHG groups comprise 12-20 members. The credit is provided for both consumption and other productive purposes. The SHG institutions primarily have women as their target group. The group approach focuses on organizing the people into small groups for micro-financing. To alleviate the poverty and to empower the women, the micro-finance has emerged as a powerful instrument in the new economy.

#### METHODOLOGY

In the present study primary data has been collected from the sample beneficiaries who were provided assistance under SHGs during the year. A well structured questionnaire has been prepared and administered to the beneficiaries of SHGs and collected data. Three mandals in Chittoor district were selected for the selection of sample women members of SHGs. The study is based on the primary data collected from 450 women SHG members.

#### Socio-Economic Conditions Of Beneficiaries

Socioeconomic status (SES) is often measured as a combination of education, income and occupation. It is commonly conceptualized as the social standing or class of an individual or group. When viewed through a social class lens, privilege, power and control are emphasized. Furthermore, an examination of SES as a gradient or continuous variable reveals inequities in access to and distribution of resources.

#### Age

Age shows understanding nature and shouldering the responsibility. The age of the respondents is presented in the Table 1.

**Table 1 Age Of The Respondents**

Sl. No.	Age	Mandal			Total
		Punganur	Kuppam	Srikalahasthi	
1	Below 18 years	2	4	4	10
		1.30%	2.70%	2.70%	2.20%
2	19-24 years	35	35	36	106
		23.30%	23.30%	24.00%	23.60%
3	25-35 years	32	33	31	96
		21.30%	22.00%	20.70%	21.30%
4	36-45 years	47	44	46	137

		31.30%	29.30%	30.70%	30.40%
5	46-55 years	27	28	28	83
		18.00%	18.70%	18.70%	18.40%
6	above 55 years	7	6	5	18
		4.70%	4.00%	3.30%	4.00%
Total		150	150	150	450
		100.00%	100.00%	100.00%	100.00%

The table shows that 137 respondents (30.40 %) are in the age group of 36 – 45 years and majority of them are in Punganur Mandal, 106 respondents (23.60 %) are in the age group of 19 - 24 years and majority of them are in Srikalahasthi Mandal and 96 respondents (21.30 %) are in the age group of 25 – 35 years and majority of them are in Kuppam Mandal. Above all, it is concluded that more than 30 per cent of the respondents are in the age group of 36 – 45 years and majority of them are in Punganur Mandal.

**Caste**

Caste is another variable to analyze and understand the socio-economic characteristics of the respondents. Caste has become very important factor in India, for meaningful study it is not possible and feasible without taking caste into consideration. The caste composition of the respondents is furnished in the table 2

**Table 2 Caste Of The Respondents**

Sl. No.	Caste	Mandal			Total
		Punganur	Kuppam	Srikalahasthi	
1	SC	62	38	65	165
		41.30%	25.30%	43.30%	36.70%
2	ST	22	39	32	93
		14.70%	26.00%	21.30%	20.70%
3	BC	38	40	34	112
		25.30%	26.70%	22.70%	24.90%
4	OC	28	33	19	80
		18.70%	22.00%	12.70%	17.80%
Total		150	150	150	450
		100.00%	100.00%	100.00%	100.00%

The table presents that around 37 per cent of the respondents are scheduled castes and majority of them are in Srikalahasthi mandal, around 25 per cent of the respondents belong to BC community and majority of them are in Kuppam mandal, around 21 per cent of the respondents are STs and majority of them are in Kuppam mandal and around 18 per cent of the respondents are OCs and majority of them are in Kuppam mandal. By and large, it is concluded that majority of the respondents(36.7 %) belong to BC community and majority of them are in Srikalahasthi Mandal.

**Education**

Education of a person will determine his aspiration and future. A highly educated person will have high aspiration and will have better opportunities to secure a good job. So that he can lead a good family life and the social status also increases. The wealth of knowledge acquired by an individual after studying particular subject matters or experiencing life lessons that provide an understanding of something. Education requires instruction of some sort from an individual. The educational status of the respondents is furnished in the Table 3.

**Table 3 Education Of The Respondents**

Sl. No.	Educational Qualification	Mandal			Total
		Punganur	Kuppam	Srikalahasthi	
1	Primary Education	53	53	52	158
		35.30%	35.30%	34.70%	35.10%
2	Upper Primary Education	42	38	44	124
		28.00%	25.30%	29.30%	27.60%
3	Secondary Education	30	30	27	87
		20.00%	20.00%	18.00%	19.30%
4	Intermediate	19	22	20	61
		12.70%	14.70%	13.30%	13.60%
5	Graduate	6	7	7	20
		4.00%	4.70%	4.70%	4.40%
Total		150	150	150	450
		100.00%	100.00%	100.00%	100.00%

The table quite obviously shows that 158 respondents (35.10 %) have primary education and majority of them are in both Punganur and Kuppam Mandals, 124 respondents (27.60 %) have upper primary

education and majority of them are in Srikalahasthi mandal, 87 respondents (19.30 %) have secondary education and majority of them are equally in both Punganur and Kuppam mandals. On the contrary, around 14 per cent have intermediate education and majority of them are in Kuppam mandal and mere 4.40 per cent of the respondents are graduates and majority of them are in both Kuppam and Srikalahasthi mandals equally. Above all, it is concluded that 63 per cent of the respondents have up to upper primary education.

**Occupation**

The occupation of an individual determines his/her position in the society and standard of living. Most of the respondents in the sample are involved in agriculture. Majority of the respondents from the employment and business categories show higher fertility and higher additional expected family size compared to the cultivators in the sample population. The occupation of the respondents has been presented in the Table 4.

**Table 4 Occupation Of The Respondents**

Sl. No.	Occupation	Mandal			Total
		Punganur	Kuppam	Srikalahasthi	
1	Agriculture	63	61	62	186
		42.00%	40.70%	41.30%	41.30%
2	Non Agriculture	28	27	25	80
		18.70%	18.00%	16.70%	17.80%
3	Agriculture Labour	20	19	21	60
		13.30%	12.70%	14.00%	13.30%
4	Business	24	27	25	76
		16.00%	18.00%	16.70%	16.90%
5	House wife	10	10	11	31
		6.70%	6.70%	7.30%	6.90%
6	Rural Artisan	5	6	6	17
		3.30%	4.00%	4.00%	3.80%
Total		150	150	150	450
		100.00%	100.00%	100.00%	100.00%

The table quite obviously shows that more than 41 per cent of the respondents have agriculture as primary occupation and majority of them are in Punganur mandal followed by around 18 per cent are non-agriculturists and majority of them are in Punganur mandal, around 17 per cent are having business and majority of them are in Kuppam mandal and more than 13 per cent of the respondents are agricultural labour and majority of them are in Srikalahasthi mandal. Mere 7 per cent of the respondents are housewives only and majority of them are in Srikalahasthi mandal. By and large, it is concluded that more than 41 per cent of the respondents have agriculture as primary occupation and majority of them are in Punganur mandal.

**Income**

The family cannot survive without sufficient income to maintain it. Hence, income is the basis for all activities of the family. The status of the family in the society is determined primarily based on the income of the family. The family cannot survive without sufficient income to maintain it. Hence, income is the basis for all activities of the family. The status of the family in the society is determined primarily based on the income of the family. The income levels of the respondents are furnished in the Table 5.

**Table 5 Income Level Of The Respondents**

Sl. No.	Level of Income (Rs.)	Mandal			Total
		Punganur	Kuppam	Srikalahasthi	
1	Below 5000	32	28	37	97
		21.30%	18.70%	24.70%	21.60%
2	5000-10000	55	55	52	162
		36.70%	36.70%	34.70%	36.00%
3	10000-15000	50	56	50	156
		33.30%	37.30%	33.30%	34.70%
4	15000-20000	13	11	11	35
		8.70%	7.30%	7.30%	7.80%
Total		150	150	150	450
		100.00%	100.00%	100.00%	100.00%

The table presents that 36 per cent of the respondents have the income level of Rs. 5000 – 10000 and majority of them are in Kuppam mandal, around 35 per cent of the respondents have the income level of Rs. 10000 – 15000 and majority of them are in Kuppam mandal, around 22 per cent of the respondents have the income level below Rs. 5000 and

majority of them are in Srikalahasthi mandal and around mere 8 per cent have the income of Rs.15000 – 20000. It is concluded that around 71 per cent of the respondents have the income of Rs.5000 – 15000.

### Income Through SHGs

The income generation of the women beneficiaries through SHGs has been elicited and the details are presented in the Table 6.

**Table 6 Income Generation Of The Women Beneficiaries Through SHGs**

Sl. No.	Income of the women beneficiaries through SHGs	Mandal			Total
		Punganur	Kuppam	Srikalahasthi	
1	5000-10000	22	20	24	66
		14.70%	13.30%	16.00%	14.70%
2	10000-15000	49	55	49	153
		32.70%	36.70%	32.70%	34.00%
3	15000-20000	57	56	57	170
		38.00%	37.30%	38.00%	37.80%
4	More than 20000	22	19	20	61
		14.70%	12.70%	13.30%	13.60%
Total		150	150	150	450
		100.00%	100.00%	100.00%	100.00%

The table portrays that around 38 per cent of the respondents have generate the income of Rs. 15000 – 20000 through SHGs and majority of them equally are in Pedavadagur and Kuppam mandal, 34 per cent of the respondents have generated the income of Rs. 10000 – 15000 and majority of them are in Kuppam mandal, around 15 per cent of the respondents have generated the income of Rs. 5000 - 10000 and majority of them are in Srikalahasthi mandal and around 14 per cent have generated the income of above Rs.20000. Above all, it is concluded that around 72 per cent of the respondents have the income in the range of Rs.10000 – 20000.

### CONCLUSION

Self-Help Group is a well-known concept in recent trends. The main aim of SHG is to improve economic conditions. SHGs enable women to grow then savings and to access the credit which banks are willing to lend. More than 30 per cent of the respondents are in the age group of 36–45 years and majority of them are in Punganur Mandal. One fourth of the respondents belong to BC community and 82 per cent of the respondents are Hindus. Around 63 per cent of the respondents have up to upper primary education and more than 41 per cent of the respondents have agriculture as primary occupation. Around 48 per cent of the respondents have pucca house and around 72 per cent of the respondents have the income in the range of Rs.10000 – 20000.

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