



ECONOMIC IMPACT OF SELF HELP GROUP MEMBERSHIP:A STUDY ANANTHAPURMU DISTRICT

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Abstract

*In the preceding Paper, an attempt has been made to present the profile of the district with emphasis on the economic conditions growth and performance of **Self Help Groups** and the social status to composed to the before and after economic statues and characteristics of the sample of respondents under the study. An attempt has been made to present the experiences, role and responsibilities performing by sample SHG Women in the study area.*

Key Words:- Women Empowerment, SHGs, Assets, family Income levels and saving levels.

Introduction

Women are the valuable Human Resources and their socio economic development is imperative for sustainable growth of the economy. Yet more often than not, women's economic contributions go unrecognized, their work undervalued and their promise unnourished. Unequal opportunities between women and men continue to hamper women's ability to lift them from poverty and gain more options to improve their lives. But, economically strengthening women who are half the world's workforce is not only a means by which to spur economic growth, but also a matter of advancing women's human rights. When governments, businesses and communities invest in women, and when they work to eliminate inequalities, developing countries are less likely to be plagued by poverty. In Ananthapuramu district, there are total 53, 945 Self Help Groups were working, out of which only 49,346 SHG's have linked to banks and carrying out different economic activities. This is due to the lack of efforts taken to build their capacities and empower them to take decisions. There is ability to initiate the approach to build their capacities in the Self Help Group's and also empower them to seek their active participation. Therefore, we should stress on necessity and highlight the benefits of securing women's active participation in all stages of decision making, ensuring them empowerment and capacity building at all levels and their inclusion in devising strong gender responsive frameworks. Hence, the present study on the Research Topic entitled "**Women Empowerment through Self Help Groups: A Study in Ananthapuramu District**" has been planned with the following specific objectives. Ananthapuramu district has been chosen purposefully because of its severe drought conditions, where employment opportunities are very less.

The development of villages is a pre-condition for balanced economic development. The basic requirement for balanced economic growth are savings, investment and expanding market for industrial products ultimately depend upon rural development in general and agricultural development in particular. India is basically a rural India, includes the cultivators, the craftsman, the labors. Despite of substantial improvement in agricultural output, still majority of the farmers are suffering from major economic problems called "indebtedness" along with lack of timely and adequate support (Prasad & Shah, 2007). Rural Development known to be one of the pillars on which the future of our country stands. Rural Development should aim at improving the living conditions especially to rural poor and



vulnerable sections that seek employment is a multidimensional phenomenon in the sense the overall level of rural development of a region. Since independence, government of India has implemented a number of programmes in the state and national level, a few of which succeeds partially and others failed miserably.

Self-Help Groups (SHGs) have become the vehicle of change in the rural areas, transforming the lives of the marginalized. Realizing that problems cannot be solved alone, or by a single agency, small voluntary groups get together to pool their resources, skills and talent to better their lives. SHGs organize the poor and the marginalized to join hands to solve their problems and the method has been very successfully used by the government and the Non-Government Organizations in achieving several goals. As a form or enterprise, SHG performs the role of collective banks and enterprises and ensure better access to loans with a lower rate of interest to start or micro unit enterprises.

After examining the impact of SHG membership on the decision making front of Sample women, then an attempt is made to assess the impact of such association on economic freedom of women. As part of which impact of SHG membership on family income levels, family annual savings levels, raising of loan from institutional resources and raising of loan from non-institutional resources were examined.

Objectives

1. To estimate the participation of women in Self Help Group activities in the study area.
2. To analyze the socio-economic background of the study area and sample women Self Help Group women.

Methodology

The study is based on both qualitative and quantitative methods. The study has employed mix of methods to address the objectives laid down. Both primary and secondary data were collected. To begin with, a thorough review of the secondary data related to the SHGs at the all India level, State level, district level, Mandal level and village levels was undertaken and documented. A comprehensive household survey was done mainly to ascertain the outcome and impact of the SHGs on rural women. A pretested interview schedule was administered to collect the data from the sample beneficiaries. Qualitative methods such as interview with key informants were used to supplement and complement the inferences drawn from the survey data.

Sample Design

For in depth study on the role of Self Help Groups on the empowerment of women, **Multi-Stage Random Sampling Method** was followed. In the first stage five revenue divisions of Ananthapuramu district were selected. In second stage one revenue division namely Kadiri revenue division where the large numbers of women were in SHG fold was selected. In the third stage from Kadiri revenue division one Mandal, where largest women enrolled in SHGs was selected. Only one Mandal has been selected for in-depth study and considered as comparative case study. In the fourth stage 12 Gram Panchayats were selected based on highest number of groups. In the fifth stage 20 SHG women from each Gram Panchayat was selected by taking in to account consideration the socio-economic background of beneficiaries on a simple random sampling basis. So, the total sample constitutes one district, one revenue division, one Mandal, 12 Gram Panchayats and 240 beneficiary respondents. Table-1 gives the details of sampling.



Table- 1, Sample Framework of the Study

Name of Revenue Division	Name of the Mandal	Name of Gram Panchayat	Number of SHG Women
Kadiri	Kadiri	Chalamakuntlapalli	20
		Kadirikuntlapalli	20
		Patnam	20
		Kummaravandlapalli	20
		Motukupalli	20
		Burugapalli	20
		Brahmanapalli	20
		Eguvapalli	20
		Yerradoddi	20
		Kalagamudram	20
		Mutyalacheruvu	20
		K.N. Palyam	20
Total			240

Data Collection

The study is basically descriptive and empirical in nature. Therefore, the data for the study were collected both from the primary and secondary source. Primary data were collected by administering a structured interview schedule among the selected respondents. In order to collect detailed information the interview schedule was divided into four sections. Section one was intended to collect personal data of the respondents, details regarding economic aspects was elicited section second. Section third was intended to get the information on the participation of respondents in various activities of SHGs. Section four was framed to know the impact of SHGs on socio-economic, political and cultural empowerment of SHG members.

Statistical Techniques Used

The collected data was processed, tabulated and calculated with the help of computers. The data was analyzed and discussed with the help of averages, percentages. The data was also presented with the help of appropriate bar and pie diagrams.

Limitations of the Study

The study has its own limitations. The study is district specific, Mandal specific and target specific. The study is confined to assess the role of SHGs in the empowerment of women in backward Ananthapuramu district. Some of the women were reluctant to provide exact data on the total savings, number bank linkages, loan amount disbursed, outstanding loan and family expenditure. In spite of this strenuous efforts were made to collect accurate information as far as possible.

Impact on Family Income Levels

The SHG movement is expected to improve the livelihood opportunities of women by rendering financial help through institutional fiancé and savings, which in turn is expected to enhance the family income levels. Table 02 gives the impact of SHG membership on the women's family income levels.



Table- 2, Impact of SHG Membership on Impact on Family Income Levels

S. No	Social Category	Before						After					
		Below Rs. 50,000	Rs. 50,001 to 75,000	Rs. 75,001 to Rs. 100,000	Rs. 100,001 and above	Can't Say	Total	Below Rs. 50,000	Rs. 50,001 to 75,000	Rs. 75,001 to Rs. 100,000	Rs. 100,001 and above	Can't Say	Total
1	Scheduled Tribe	19	4	1	0	0	24	7	12	3	2	0	24
		(79.17)	(16.67)	(4.17)	(0.00)	(0.00)	(100.00)	(29.17)	(50.00)	(12.50)	(8.33)	(0.00)	(100.00)
2	Scheduled Caste	34	8	4	1	1	48	11	14	19	3	1	48
		(70.83)	(16.67)	(8.33)	(2.08)	(2.08)	(100.00)	(22.92)	(29.17)	(39.58)	(6.25)	(2.08)	(100.00)
3	Backward Class	80	22	10	4	1	117	29	42	37	9	0	117
		(68.38)	(18.80)	(8.55)	(3.42)	(0.85)	(100.00)	(24.79)	(35.90)	(31.62)	(7.69)	(0.00)	(100.00)
4	Others	32	11	6	2	0	51	4	21	18	8	0	51
		(62.75)	(21.57)	(11.76)	(3.92)	(0.00)	(100.00)	(7.84)	(41.18)	(35.29)	(15.69)	(0.00)	(100.00)
Total		165	45	21	7	2	240	51	89	77	22	1	240
		(68.75)	(18.75)	(8.75)	(2.92)	(0.83)	(100.00)	(21.25)	(37.08)	(32.08)	(9.17)	(0.42)	(100.00)

Source: Field Data

It can be noted from table-2 that before SHG membership the income levels of 79.17 per cent of Scheduled Tribe women and 70.83 per cent of Scheduled Caste women is below Rs. 50, 000. Such per cent of women decreased to 29.17 per cent and 22.92 per cent in case of scheduled Tribe and Scheduled caste women after SHG membership respectively. It means that some of these women income levels is enhanced and they joined in higher income group levels. Among the Scheduled Tribe women only 16.67 per cent of women reported that their family income levels vary between Rs. 50, 001 to Rs. 75, 000 before SHG membership. After SHG membership that percentage increased to 50 per cent. Before SHG membership only 4.17 per cent of Scheduled Tribe women reported family income levels vary between Rs. 75, 001 Rs, 100, 000 after SHG membership such per cent increased to 8.33 per cent. Before SHG membership none of the Scheduled Tribe women income levels crossed Rs. 100, 000, but after SHG membership it enhanced to 8.33 per cent. With regard to the Scheduled Caste women only 16.67 per cent of women reported that their family income levels vary between Rs. 50, 001 to Rs. 75, 000 before SHG membership. After SHG membership that percentage increased to 29.17 per cent. Before SHG membership only 8.33 per cent of Scheduled Caste women reported family income levels vary between Rs. 75, 001 Rs, 100, 000 but after SHG membership such per cent sharply increased to 39.58 per cent. Before SHG membership 2.08 per cent of the Scheduled Caste women income levels crossed Rs. 100, 000, but after SHG membership it enhanced to 6.25 per cent.

Before SHG membership the income levels of 68.38 per cent of Backward Class women and 62.75 per cent of other caste women is below Rs. 50, 000. Such per cent of women decreased to 24.79 per cent and 7.84 per cent in case of Backward Class and other caste women after SHG membership respectively. It means that some of these women income levels are enhanced and they joined in higher income group levels. Among the Backward Class women only 18.80 per cent of women reported that their family income levels vary between Rs. 50, 001 to Rs. 75, 000 before SHG membership. After SHG membership that percentage increased to 35.90 per cent. Before SHG membership only 8.55 per cent of Backward Class women reported that their family income levels vary between Rs. 75, 001 Rs,



100, 000, after SHG membership such per cent increased to 31.62 per cent. Before SHG membership 3.42 per cent of Backward Class women income levels crossed Rs. 100, 000, but after SHG membership it enhanced to 7.69 per cent. With regard to the other caste women only 2.157 per cent of women reported that their family income levels vary between Rs. 50, 001 to Rs. 75, 000 before SHG membership. After SHG membership that percentage increased to 41.18 per cent. Before SHG membership only 11.76 per cent of other caste women reported family income levels vary between Rs. 75, 001 Rs, 100, 000 after SHG membership such per cent sharply increased to 15.69 per cent. Before SHG membership 3.92 per cent of the other caste women income levels crossed Rs. 100, 000, but after SHG membership it enhanced to 15.69 per cent.

In all the income levels of 68.75 per cent of sample women is below Rs. 50, 000 before SHG membership. Such per cent of women decreased to 21.25 per after SHG membership. Around 18.75per cent of women reported that their family income levels vary between Rs. 50, 001 to Rs. 75, 000 before SHG membership. After SHG membership that percentage increased to 37.08 per cent. Before SHG membership only 8.75 per cent of sample women reported that their family income levels vary between Rs. 75, 001 Rs, 100, 000. However, after SHG membership such per cent increased to 32.08 per cent as some of the low income level women’s family income levels were enhanced. Before SHG membership 2.92 per cent of sample SHG women income levels crossed Rs. 100, 000, but after SHG membership it enhanced to 9.17 per cent.

Impact on Family Annual Savings

The main motive behind the promotion of SHGs is to encourage women for savings. Table-3 gives the impact of SHG membership on the annual family savings.

Table-3, Impact of SHG Membership on Family Annual Savings Levels

S. No	Social Category	Before						After					
		Below Rs. 10, 000	Rs. 10, 001 to 25, 000	Rs. 25, 001 to Rs.50, 000	Rs. 50,001 and above	Can't Say	Total	Below Rs. 10, 000	Rs. 10, 001 to 25, 000	Rs. 25, 001 to Rs.50, 000	Rs. 50,001 and above	Can't Say	Total
1	Scheduled Tribe	21	2	1	0	0	24	6	15	2	1	0	24
		(87.50)	(8.33)	(4.17)	(0.00)	(0.00)	(100.00)	(25.00)	(62.50)	(8.33)	(4.17)	(0.00)	(100.00)
2	Scheduled Caste	39	5	2	2	0	48	12	18	13	5	0	48
		(81.25)	(10.42)	(4.17)	(4.17)	(0.00)	(100.00)	(25.00)	(37.50)	(27.08)	(10.42)	(0.00)	(100.00)
3	Backward Class	91	12	7	5	2	117	22	55	29	11	0	117
		(77.78)	(10.26)	(5.98)	(4.27)	(1.71)	(100.00)	(18.80)	(47.01)	(24.79)	(9.40)	(0.00)	(100.00)
4	Others	30	11	6	3	1	51	6	17	20	7	1	51
		(58.82)	(21.57)	(11.76)	(5.88)	(1.96)	(100.00)	(11.76)	(33.33)	(39.22)	(13.73)	(1.96)	(100.00)
Total		181	30	16	10	3	240	46	105	64	24	1	240
		(75.42)	(12.50)	(6.67)	(4.17)	(1.25)	(100.00)	(19.17)	(43.75)	(26.67)	(10.00)	(0.42)	(100.00)

Source: Field Data

Table-3 reveals that before SHG membership the annual family saving levels of 87.50 per cent of Scheduled Tribe women and 81.25 per cent of Scheduled Caste women is below Rs. 10, 000. Such per cent of women decreased to 25 per cent in case of both Scheduled Tribe and Scheduled Caste women after SHG membership. It means that some of these women the annual family saving levels were



enhanced and they joined in higher saving groups. Among the Scheduled Tribe women only 8.33 per cent of women reported that their family saving levels varies between Rs. 10, 001 to Rs. 25, 000 before SHG membership. After SHG membership that percentage increased to 62.50 per cent. Before SHG membership only 4.17 per cent of Scheduled Tribe women reported that their family saving levels varies between Rs. 25, 001 Rs, 50, 000. But after SHG membership such per cent increased to 8.33 per cent. Before SHG membership none of the Scheduled Tribe women family savings levels crossed Rs. 50, 000, but after SHG membership it enhanced to 4.17 per cent. With regard to the Scheduled Caste women only 10.42 per cent of women reported that their family saving levels varies between Rs. 10, 001 to Rs. 25, 000 before SHG membership. After SHG membership that percentage increased to 37.50 per cent. Before SHG membership only 4.17 per cent of Scheduled Caste women reported that their family saving levels varies between Rs. 25, 001 Rs, 50, 000 but after SHG's membership such per cent sharply increased to 27.08 per cent. Before SHG membership 4.17 per cent of the Scheduled Caste women family savings crossed Rs. 50, 000, but after SHG membership it enhanced to 10.42 per cent.

Before SHG membership the family saving levels of 77.78 per cent of Backward Class women and 58.82 per cent of other caste women is below Rs. 10, 000. Such per cent of women decreased to 18.80 per cent and 11.76 per cent in case of Backward Class and other caste women after SHG membership respectively. Among the Backward Class women only 10.26 per cent of women reported that their family savings vary between Rs. 10, 001 to Rs. 25, 000 before SHG membership. After SHG membership that percentage sharply increased to 47.01 per cent. Before SHG membership only 5.98 per cent of Backward Class women reported that their family savings varies between Rs. 25, 001 Rs, 50, 000, after SHG membership such per cent increased to 24.79 per cent. Before SHG membership 4.27 per cent of Backward Class women savings amount crossed Rs. 50, 000, but after SHG membership it enhanced to 9.40 per cent. With regard to the other caste women only 21.57 per cent of women reported that their family savings varies between Rs. 10, 001 to Rs. 25, 000 before SHG membership. After SHG membership that percentage increased to 33.33 per cent. Before SHG membership only 11.76 per cent of other caste women reported family savings varies between Rs. 25, 001 Rs, 50, 000 after SHG membership such per cent sharply increased to 39.22 per cent. Before SHG membership 5.88 per cent of the other caste women savings crossed Rs. 50, 000, but after SHG membership it enhanced to 13.73 per cent.

In all the savings of 75.42 per cent of sample women is below Rs. 10, 000 before SHG membership. Such per cent of women decreased to 19.17 per after SHG membership. Around 12.50 per cent of women reported that their family savings varies between Rs. 10, 001 to Rs. 25, 000 before SHG membership. After SHG membership that percentage increased to 43.75 per cent. Before SHG membership only 6.67 per cent of sample women reported that their family savings varies between Rs. 25, 001 Rs, 500, 000. However, after SHG membership such per cent increased to 26.67 per cent. Before SHG membership 4.17 per cent of sample SHG women savings crossed Rs. 50, 000, but after SHG membership it enhanced to 10 per cent.

Results/Outcomes of the Study

It is clear from the study that the main reason cited by sample women for joining SHGs is to get the loans from institutional sources (50.83 per cent). The important reason mentioned by sample women for joining SHGs is for the sake of revolving fund. To improve livelihood opportunities around 9.17 per cent of sample women joined SHG fold. For the sake of social status around 7.92 per cent of sample women joined the SHG fold. The remaining 2.5 per cent of women cited other reasons like to save



money, to improve family status, to get subsidy from governmental schemes, loans etc to join in Self Help Groups in the study area.

As per table the study 75.42 per cent of SHGs in the study area have more than 5 years old. The age of 29.17 per cent of sample SHGs in the study area is 6 years. The age of 20.42 per cent of sample SHGs is reported 7 years. As per the reports of sample SHG women the age of 17.08 per cent of SHGs in the study area is 5 years. Only 7.50 per cent of sample SHG women groups in the study area are less than 5 years. There are 10.42 SHGs, whose age is 9 years. The age of 10 per cent of Self Help Groups is 8 years.

According to the study that 77.08 per cent of sample women has declared that their frequency of saving money is once in a month. Around 15.83 per cent of sample women were declared that they save the money once in a fortnight. It is pertinent to note that 5.42 per cent of women declared that they saves money once in two months. It is evident from the study that 77.50 per cent of sample women respondents stated that they are saving Rs. 50 per month. The monthly savings of 9.58 per cent of sample women is Rs. 40/-. The monthly savings of 5.42 per cent of women is Rs. 30/-. Another 5.42 per cent women reported that their monthly savings were above Rs. 50. The monthly savings of 2.08 per cent of sample women is Rs. 20/-. It can be found from the study that more than half i.e. 56.25 per cent of sample women saving the money in SHGs by their own earnings. The source of savings for 26.67 per cent of sample SHG women is the earnings of their husbands. From the family members earnings 12.50 per cent of women were saving particular amount in SHGs. The source of savings for 4.58 per cent of sample SHG women were other sources like personal borrowings, interest collected on principal amount etc.

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