

Research Paper



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EFFICACY OF SHG SCHEME ON LIVING STANDARDS OF SCHEDULED TRIBES WOMEN

(A Study on Self Help Group Scheme in Kadiri Mandal, Anantapuramu District; A.P)

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ABSTRACT

‘Yatra Naaryantu Poojanthe, Tatra Ramanthe Devatha’ says a famous Sanskrit verse means, ‘where the Woman is free, respected and given her due place there, in that land the people live in peace and happiness’.

Women constitute one half of the world’s population and a visible majority of the poor. Programmes/ schemes aiming to improve the living conditions of the poor cannot, therefore, be effective unless women participate in their formulation and implementation, as contributors as well as beneficiaries. The formation of Self-Help-Groups through aiding micro-credit will enhance their socio- economic position in the society. It is recognized that while the empowerment of schedule castes and tribes women is a process that will not happen routinely, SHGs are suitable means for the empowerment of such women, especially women of scheduled tribes. Hence, to find out whether the impact of Self Help group (SHGs) programme towards change in employment and income generation of selected women of scheduled tribes beneficiaries, a sample study undertaken in Anantapuramu district, Andhra Pradesh state by using suitable statistical tools and techniques like frequency distribution, cross tabulation and in order to know whether the impact of SHGs on employment and income is significant or not paired t-test applied. It was found that there was increasing trend both in employment and income generation. But there was no more than 50% of physical and financial achievement of SHG’s under bank- linkage throughout the study period. Though there were many obstacles Self Help group (SHGs) programme effected positively significant change on employment and income of women beneficiaries of scheduled tribes in the study area after joining SHGs programme.

KEYWORDS: Self Help group, micro-credit, women, employment

INTRODUCTION

Ours is a male dominated society, where women are described as the ‘second sex and the second creature’, who live on surplus. Their very existence has been considered as parasite on the men who rule them. Female subordination has been an essential feature human life in all contemporary societies, although with a varying degree and expression of male dominance. Women in India have been traditionally suppressed and particularly women belong to economically and socially weaker sections of the society have been even more impressed. All the provisions in the constitution and the spate of legislations enacted to empower women in the post Independence India have not been adequate to set women free from their traditional bondages, liabilities and restrictions. Even today women’s participations in the decision making processes, especially in rural areas has remained very marginal.

The Noble Laureate, Professor Amartya Sen has rightly emphasized the need to view women as “potentially active agents of social change and to transcend the view of women as patient solicitors of social equity”. Hence, there is a need to involve rural women in income generating economic activities. Development of women has been considered as a sine-qua-non for national development and social welfare. Government has launched several developmental programmes for women with a view to bringing them into the main stream of the economy and the society by generating employment and income. With the exclusive objective, the government of India launched special poverty alleviation programme like ‘Development for Women and Children in Rural Areas (DWCRA) for women in 1982-83, as a sub-component of ‘Integrated Rural Development Programme’ (IRDP).



Micro finance

In India various Five-Year-Plans gave special emphasis to the activities of employment and income for women with the ultimate objective of making women economically independent and self-reliant. In spite of efforts made by the government, women's needs are more and more marginalized in their struggle for existence and excellence. The credit requirements of poor and women are not met by the formal banking. Women are driven to status of recipient, beneficiary and consumer, despite their ability as a giver, benefactor and producer. In these circumstances evolved the concept of micro-credit.

Micro-credit plays a crucial role in the poverty reduction strategies in many countries. Micro-credit, according to Weber, "differs significantly from other targeted poverty reduction strategies in that it is enabled in a commercial framework" and reinforces norms regarding repayment in commercial transactions, contracts etc. Micro-credit is now seen as one of the very promising types of intervention to reduce poverty and empower women.

The self-help-groups are formed for the development of poor rural women through the provision of micro-credit provided by the banking sector. The Reserve Bank of India has been launched the programme of linking self-help-groups with lending institutions like commercial banks so, that the requirements of self-help-groups can be properly attempted by the banks. Along with the self-help-groups and non-governmental organizations also play a crucial role in obtaining the micro-credit by the rural poor.

A self-help-group may be defined as "a voluntary group village personal interaction and perceived as alterable, pressing and personal by most as its members. According to NABARD, 'it is a homogeneous group of rural poor voluntary formed to save whatever amount they can conveniently save of their earnings and mutually agree to contribute to a common fund of the group to be lent to the members for meeting their productive and emergent credit needs. It may be defined commonly as 'a group of ten to twenty members, usually poor women who pool their savings into a fund from which they can borrow as and when necessary. These groups' deposits their savings with a local bank. The government has recognized this SHG's strategy will bring up poor rural women from below the poverty line by providing financial assistance through sparing and government agencies.

Origin of SHGs

The establishment of SHGs could be traced to the existence of one or more common problem areas around which the consciousness of the rural poor was built and the process of group formation initiated. Thus the group was usually responsive to perceived need. Such groups have been formed around specific production activities and often they have promoted savings among their members and used the pooled resources to meet the emergent needs. Some times the internal savings generated were supplemented by the external resources loaned / donated by promoting the SHGs. Since the SHGs have been able to mobilize savings and also to recycle effectively the pooled resources amongst the members their activities have attracted attention as a supportive mechanism for meeting the credit needs of the poor. After formation of the SHGs, in order to strengthen the functioning of the SHGs at the grass root level the government encourages the formation of 'Sangamitra Groups' in every village. The same trend has been found in the case of 'Sangamitra Groups' also.

Self-help Movement in Andhra Pradesh

Since 1970, developing countries have increasingly focused on self-help-groups through non-governmental organization to facilitate the access of poor women households to financial services like credit, savings and thrifts etc. Self-help-groups as a sub-scheme of Integrated Rural Development Programme (IRDP) started in Andhra Pradesh in 1982-83 with UNICEF co-operation with the primary objective of focusing attention on women members of rural families below the poverty line with a view to generating self-employment on a sustained basis. The SHGs movement gathered momentum in 1993 in Andhra Pradesh. The women in Anantapur district had been organized into Mahila Mandals (women associations) during the total literacy campaign (TLC) in 1992. Subsequently these groups spread as anti-arrack (abolish of country-made liquor) movement. The movement was successful and wide spread to the neighbouring districts, eventually leading to imposition of prohibition in the state. Water movement converted into savings and credit groups known as Podupu Lakshmi (saving money) by the NGOs and Mahila Mandals. These Podupu Lakshmi groups were converted into DWACRA self-help-groups by the department of Child and Women Development of government of Andhra Pradesh. The government of Andhra Pradesh has reorganized self-help approach as an effective strategy to tackle socio-economic problem of poverty especially amongst women. The World Bank micro-credit summit held in Washington in 2001-02 has agreed that women's self-help is one of the most important schemes to eliminate the socio-economic poverty.

Role of SHGs

The SHGs are playing a crucial role in social, economic and educational strategies in India especially in Andhra Pradesh. The SHGs have been addressing local specific social problems by collective action like shut down of belt shops (liquor shops), child marriages, trafficking of domestic women/girls and gambling, eradicating dowry, corruption in public officials and public distribution system. The SHGs are contributing also to education by conducting Mid-Day-Meals programme. Besides their micro-credit activities with the support of micro-credit the members of SHGs have been involving collectively in number of economic activities which fetch them more remunerative returns.

NEED OF THE STUDY

Even today, women are living on *surplus* especially in rural India. Though, they constitute one half of the world's population and a visible majority of the poor. The formation of Self-Help-Groups through aiding micro-credit will enhance their socio-economic position in the society. It is recognized that while the empowerment of schedule castes and tribes women is a process that will not happen routinely, Self-Help Groups (SHGs) are suitable means for the empowerment of women. Hence, to find out whether the impact of SHG programme on poor women towards socio-economic position of schedule tribes women, a sample study undertaken in Kadiri Mandal, Anantapuramu district; A.P state by framing the following objectives.

OBJECTIVES

The following is the main objective of the study.

- To study the impact of SHG Scheme (micro-credit) on employment and income generation of schedule tribes women members of SHGs in Kadiri Mandal, Anantapur district, A.P; India.

METHODOLOGY

It was fulfilled the above objective by using the paired t-test statistic.

There are some situations, which we have dependent samples. Two samples are said to be dependent when the elements in one sample are related to those in the other in any significant or some meaningful manner.

For example:- advertisement effect on sales of a product before and after (or) efficiency of drugs before and after its use.

In analyzing the effects, we often use paired t-test statistic. The test statistic is

$$\text{Where, } |t| = \frac{\bar{d}}{S.D/\sqrt{n-1}} \rightarrow t_{(n-k)}$$

\bar{d} = the difference between paired samples

\bar{d} = the mean of difference

σ = the standard deviation of difference.

LIMITATIONS OF THE STUDY

The work confines itself to study the impact of micro-credit on the sample women members scheduled tribes of SHGs in Kadiri mandal in Anantapuramu district in the financial year 2016-17. The data for the study has been

collected through interview method. Since the most of beneficiaries do not maintain proper accounts and most of them are illiterates and they are possibilities of statistical and hence data collected would only be in approximation to actual facts.

ANALYSIS

Micro-credit means the extension of small loans to very poor people for self employment projects that generate income, allowing them to care for themselves and their families. In most cases, micro-credit programmes offer a combination of services and resources to their clients in addition to credits for self employment. These often include saving facilities training, networking and peer support. Loans under micro-credit programme are very small, on an average less than \$100 by world standards and in hundreds of rupees by Indian standards. Micro-credit targets the rural and urban households, with an emphasis on women borrowers, provisions of finance for creation of assets and their main tenancy and bringing in greater quality of services. The beneficiaries are identified by micro-credit providers themselves independently or through self-help-groups. The SHGs mechanism has been widely accepted as an integral part of micro finance.

Village-wise Institutional Provision of Micro-credit

In the study area of Kadiri mandal, there were six sample villages taken i.e., Kadiri, Muthyalacheruvu, Patnam, Bathalapalle, Yerradoddi and Motukapalle. The Motukapalle

Table-1.
Village-wise Micro Credit (in Rs.)

Sl.	Village	Total Savings Thefts	Corpus Fund	Bank Loan	Total Micro Credit
1.	Kadiri	2100 (6.3)	22000 (15.7)	45000 (13.2)	69100 (12.5)
2.	Muthyalacheruvu	8000 (24.1)	17000 (12.9)	80000 (23.4)	115000 (20.9)
3.	Patnam	1950 (5.9)	21000 (15.0)	44000 (12.9)	66950 (12.1)
4.	Bathalapalle	5500 (16.6)	25000 (17.9)	47000 (13.7)	113600 (20.6)
5.	Yerradoddi	5800 (17.5)	22000 (15.8)	60000 (17.5)	87800 (15.9)
6.	Motukapalle	9800 (29.6)	23000 (16.4)	66000 (19.3)	98800 (17.9)
Total		33150 (100)	140000 (100)	342000 (100)	603750 (100)

Figures in parentheses are percentages to total figure.

village is mobilized about 30 percent of total saving followed by Muthyalacheruvu (24%), Yerradoddi (18 %) and Bathalapalle (17 %) are having respectively. The SHGs in Kadiri and Patnam villages have mobilized very small amount of saving 6 percent. The women members of SHGs in Motukapalle are comparatively richer with original sources of irrigation and involving small scale and cottage industry. The corpus fund is provided commonly to all members on equal basis. So, that the corpus fund varies from 13 to 18 percent among all the villages. In the view of the bank loan among the all villages, the Muthyalacheruvu village received large amount of bank loan (23 %) as followed by Motukapalle (19 %), Yerradoddi (17.5 %), Bathalapalle (14 %) and Kadiri and Patnam villages are have receiving 13 percent of bank loan as micro-credit. The Muthyalacheruvu received the

highest micro-credit (21 percent) followed by Bathalapalle (20 %), and Motukapalle (18 %) where as the lowest micro-credit is available in Patnam (12 %) followed by Kadiri (13 %) and Yerradoddi (16 %) in the stud area. The above analysis expressed that the societies which are very prompt in the repayment of loans are obtaining repeated and higher amount of the SHGs bank linkage programme.

Village-wise Employment Generation of SHGs

The main strategy of the SHGs movement is to improve the access of poor women to employment, skill training, credits and other financial supportive services. Micro finance institutions which provide credits for the SHGs are important vehicles for credits delivery especially to self-

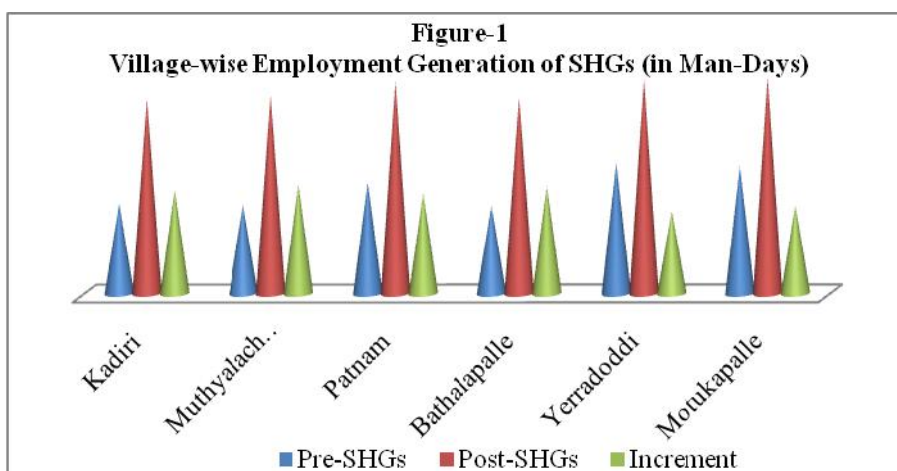
employed persons, because of low cost of operation, high and assured returns. The impact of micro-credit on employment generation of poor women is very high in rural areas. The regional variation in terms of employment generation is prevalent in the study area. In some villages

Like, Motukapalle and Yerradoddi are endowed with fertile and irrigation facilities. Patnam village is comparatively a back ward village. The average employment generation of SHGs in the study area is shown in the below table-2.

Table-2.
Village-wise Employment Generation of SHGs (in Man-Days)

Sl.	Village	Pre- SHGs	Post -SHGs	Employment Increment	t-test
1.	Kadiri	124	267	143	28.79*
2.	Muthyalacheruvu	122	272	150	22.19*
3.	Patnam	153	291	138	14.01*
4.	Bathalapalle	121	269	148	53.0*
5.	Yerradoddi	180	294	114	64.8*
6.	Motukapalle	175	297	122	32.7*

* Significant at 0.05 probability level.



The table-2 shows that the average employment generation in the post SHGs period is higher in Yerradoddi village followed by Motukapalle and Bathalapalle villages. There is a significant increase in the income of the study area. So, the above analysis shows that the impact SHGs's on employment generation is positive in the study area.

Village-wise Income Generation of SHGs

Kadiri mandal is some developed one in Anantapur district. In fact, the women of SHGs in the study area have been involved in various economic activities. Hence, their average income levels varies from one village to another village in post SHGs period as shown in given below table-3.

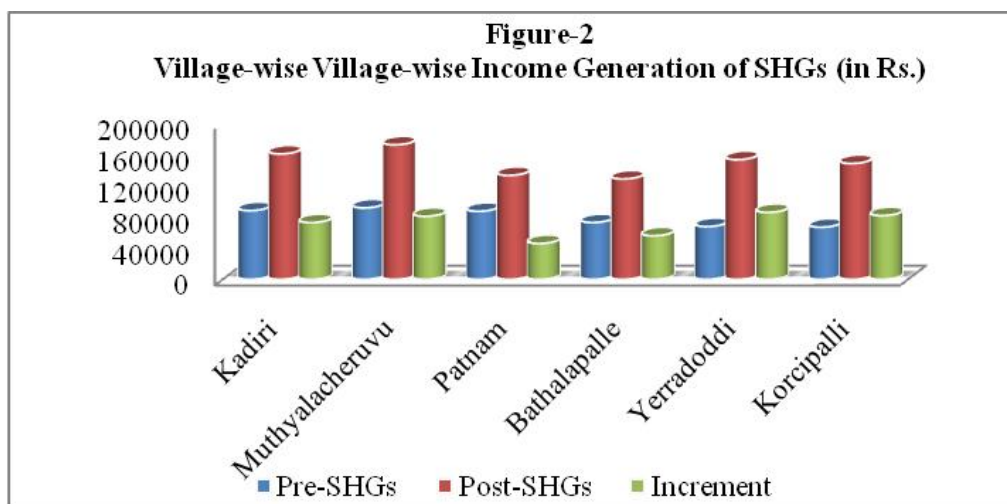
Table-3.
Village-wise Income Generation of SHGs (in Rs.)

Sl.	Village	Pre-SHG	Post- SHG	Income Increment	t-test
1.	Kadiri	88146.4	160860.5	72714.1	29.28*
2.	Muthyalacheruvu	91685.6	172540.8	80855.2	36.02*
3.	Patnam	87259.8	133252.6	45992.8	27.81
4.	Bathalapalle	72823.6	128708.8	55885.2	42.3*
5.	Yerradoddi	67657.9	153519.9	85862	49.18*
6.	Korcipalli	88146.4	160860.5	72714.1	69.42*

* Significant at 0.05 probability level.

The values in the given above table-3, expresses that the highest increase in income is found in Motukapalle village followed by Yerradoddi, Bathalapalle, Patnam, Muthyalacheruvu and Kadiri villages respectively in the study

area. However, the percentage change in average increase in income is very low in Patnam village when compared to rest of the villages in the study area. There is a significant increase in income in Motukapalle,



Yerradoddi, Bathalapalle and Muthyalacheruvu villages in Kadiri mandal of Anantapuramu district. So, the impact of SHGs on income generation is positive in the study area.

Impact of SHGs in the mandal

The SHGs are having been formed to uplift living conditions of rural women who are below the poverty line. There was a strong impact of SHGs on women in views not in economically but also in sociologically and educationally in the study area (Kadiri mandal). Due to SHGs, improved the confidence, life style and living standards of the women who have membership with self-help-groups.

FINDINGS AND SUGGESTIONS

In the view of employment generation of SHGs, the average employment generation in the post SHGs period is higher in Yerradoddi village followed by Motukapalle and Bathalapalle villages. There is a significant increase in the income of the study area. Though there was increase in employment generation of SHGs, in most of the villages in Kadiri mandal there is no significant increase. So, it is suggested to improve income conditions for women by increasing micro-credit and providing credit without interest to the SHGs with the help of nationalized banks by improving bank-SHGs linkage.

In the view of income generation of SHGs, the highest income increase is found in Motukapalle village followed by Yerradoddi, Bathalapalle, Patnam Muthyalacheruvu and Kadiri villages respectively in the study area. There is a significant increase in income in Motukapalle, Yerradoddi, Bathalapalle and Muthyalacheruvu villages in Kadiri mandal of Anantapur district. Though there was increase in income generation of SHGs members, in more of the villages in Kadiri mandal there is no significant increase. So, it is suggested to improve employment conditions to improve the income of women by increasing micro-credit to the SHGs with the help of nationalized banks by improving bank-SHGs linkage. To fulfill the above said suggestions, the state government of Andhra Pradesh and its local bodies are will be take more care to improve bank-SHGs linkage.

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