CHAPTER-IX

SUMMARY, CONCLUSIONS
AND SUGGESTIONS
The social status of women in developing countries like India is discriminated. In India the gender inequalities and discrimination occur in all spheres of social and economic life of women. In order to improve the socio-economic conditions of the population of any country, it has become prerequisite to empower the women folk by enhancing and ensuring their role to the optimal level. In India women’s development is complicated by intervening factors like gender discrimination, low level of education and work participation, poor nutritional status, violence against women, poor health and lack of access to health care and the another major barrier in development of women is poverty.

As per the 2011 census in India, out of the total population of 121 crores there are 58.6 crores women and they constituting 48.5 per cent. Among the total women 65.5 per cent are literates and 77 per cent is belong to the rural areas and living predominantly in agriculture and other related activities. Even after about seven decades of independence, women in India continue to suffer economically as well as socially at different levels and in different forms and India still has the world’s largest number of poor people with 260.3 million. Out of which 193.2 million are living in rural areas and majority of them are women.

Poverty is largely a rural phenomenon. Eradication of poverty is the greatest global challenge facing the world and a core requirement for sustainable development, especially for developing countries like India. After independence, India’s economic growth is remarkable in its reach and impressive for pulling millions out of poverty but women are still missing at almost in every level of life. After years of neglect, planners have begun to recognize the need to improve of the living conditions for women in India and this has long been recognized as one of the most central challenges facing policy makers in India. The planning process was evolved over the years from purely welfare oriented approach where women were regarded as objects of development programmes and currently to their empowerment. In the decade of 1960s the issue was for the welfare of the women. In 1970s there was a shift from the welfare to development of women. In 1980s and onwards the shift took place from the development to the empowerment of women.

The government recognized the need to uplift the status of women through providing financial assistance. There is growing recognition that the status of women
in societies like India can change significantly if they are able to gain financial
independence, whether it is through employment where they are adequately
compensated or by setting up and running their own businesses. Without having an
institutional support for developing a sustainable microenterprise for creation of
employment to earn income and to alleviate poverty of women in rural areas would be
difficult one.

The Government of India has been launching and implementing various
programmes for the women empowerment and development. One of the programmes
is women empowerment through Self-Help Groups (SHGs). The SHG approach is
entirely a different approach adopted by the developing nations to assemble the
women work through group approach with the assistance of micro finance to initiate
income generating activities and also to sustain the women development
interventions. The vision of the SHGs’ movement is to empower rural poor women
for overall development of the country. The movement of SHG was started with the
introduction of DWCRA programme in Andhra Pradesh. The mission of this
movement is to make women manage themselves for social mobilization, to create
self confidence, rise their self esteem through participation in socio-economic and
political spheres of life.

Self-Help Group Programmes are currently being promoted as a key strategy
for simultaneously dealing with both poverty alleviation and women’s empowerment.
Poverty alleviation and women empowerment are seen as two sides of the same coin.
Although SHG programmes are taken as a key strategy for dealing with poverty
alleviation and women’s empowerment, its impact on the overall women development
is found to be a subject matter of discussion for many researchers. The Government of
Andhra Pradesh has said to be a role model in initiating this programme more
effectively when compared to other regions. Yet despite the attention paid to the
programme, the result remains a bit of inscrutability.

In this background it is proposed to study the impact of SHGs on the changing
status of women in backward districts of Andhra Pradesh where the programme was
initiated two decades ago and it is the time to make suggestions to the existing policy.
The timely correction of policy measures will lead to success of the programme.
Further, there is dearth of literature regarding the impact of SHGs on the changing status of women in recent past. In this context, an attempt has been made in this study to assess the impact of SHGs on multiple-dimensions of women empowerment and poverty eradication in the selected backward districts of Andhra Pradesh with the following objectives--

1. To review the genesis, formation and development of microfinance and SHG’s.
2. To study the impact of SHGs on socio-economic status of the rural poor women.
3. To examine the impact of Micro-credit through SHGs on poverty.
4. To assess the impact of SHG programme on women empowerment.
5. To identify the problems of SHGs so as to suggest the remedial measures for their sustained growth and contribution to the empowerment of women and poverty eradication of rural women.

Methodology

A stratified multi stage random sampling technique is used for the purpose of the study. Both primary and secondary data was used for the analysis of the study. The primary data was collected from three hundred sample SHG members who received at least four bank linkages in selected sample districts of the three regions of Andhra Pradesh through a well structured questionnaire by face to face interview. This study tries to address two broad areas of enquiry: the role of SHGs in poverty eradication and empowerment of women.

Review of Literature

The review of literature has been presented in four sections namely-- studies based on women empowerment and employment through SHGs, studies based on economic development through women SHGs, studies based on women empowerment through micro finance, and studies based on poverty eradication through SHG programme. The review of literature clearly demonstrates that SHGs are playing crucial role in providing micro finance to the rural poor especially women and SHGs found to have positive impact on their members in terms of empowerment,
accessibility to credit, socio-economic change and reduction of poverty etc. The success or failure of any development programme varies with the levels of development of social, economic and political institutions. Though there are a few studies to assess the impact of women SHGs covering different levels of socio, economic and political institutions. There are no comprehensive studies on the poverty eradication and multi-dimensional empowerment levels of the rural women through SHGs. The present study is a modest attempt in this direction with reference to the study area.

**Origin, Growth and Structure of SHGs**

The conceptual framework, origin, growth and structure of SHGs and women empowerment in India and Andhra Pradesh are presented in this chapter. For the convenience sake it is divided into two broad sections. In which section-I deals with SHGs scenario in Indian context and other section is explains the Andhra Pradesh’s scenario.

In 1976, Muhammad Yunus founded the Grameen Bank (GB) to make loans to poor Bangladeshis. The Grameen Bank was immensely successful and the project was introduced in 1979 with the support of government in Tangail district. The bank’s success continued and it soon spread to various districts of Bangladesh and in 1983 it was transformed into an independent bank by the legislature of Bangladesh. In Bangladesh, microfinance has become the basis of microenterprise promotion by some of the large microfinance institutions, although it also has been extended to the ultra poor through targeted programmes. Later, the Bangladesh Grameen Bank model was replicated in more than six other countries in Africa and Asia. Following the positive development of Grameen Bank of Bangladesh and its success story, microfinance through SHGs has been recognized as one of the effective tools of poverty alleviation in almost all the countries around the world. The microfinance revolution that started 30 years ago has resulted, as of last count, that there are more than 3,500 Micro Finance Institutions (MFIs) that collectively serve almost 150 million clients worldwide.

Similarly in India too, with the inspiration of the Grameen Bank model of Bangladesh, the microfinance movement was formally launched in 1992 by the
National Bank for Agriculture and Rural Development (NABARD) with a pilot project for linking Self-Help Groups with banks. Initially in India, Self-Help Group-Bank Linkage Programme (SBLP) was operational under three delivery models for providing microfinance services namely-- (i) the bank itself acts as Self-Help Promoting Institution (SHPI) and forms and nurtures the SHGs, (ii) the Non-Governmental Organizations (NGOs) act as SHPIs and banks financed the SHGs directly and (iii) the NGOs act as both SHPI and financial intermediaries between the banks and SHGs. From the year 2006-07, SBLP follows a two models strategy where the focus is on credit linkage to SHG. The two models are (i) SHG-Bank Linkage Model: SHGs are directly financed by the banks and (ii) MFI-Bank Linkage Model: Banks lend to MFIs for on lending to SHGs. After 2006 majority of the SHGs are linked under Model I where banks are linked with the SHGs directly.

During the time period of two decades the number of SHGs increased from 255 to 1,01,12,492. During the period of two decades from 1992-93 to 2011-12 the bank linkage has increased from Rs. 0.29 crores to Rs. 84,606 cores. At the same time from NABARD refinance assistance to SHGs was reported Rs. 0.27 crores in 1992-93 and increased to Rs. 18,479 crores in 2011-12, which indicates considerable financial assistant provided to the SHGs through NABARD’s SHG-Bank Linkage Programme. The faster growth in Bank loans to SHGs has lead to almost a fivefold increase in average loans per SHG from Rs. 16,814 in 1999-2000 to Rs. 83,665 in the year 2011-12. In India, the average disbursed loan per SHG was much higher in the southern region compared to the other regions from the last three years 2009-2012. This indicates that credit was not distributed equally through the SBLP across all the regions. In India, as on 31 March 2012, out of total number of saving linked and credit linked SHGs, exclusive women SHGs are 79.1 per cent and in the total loans, women SHGs received 83.8 per cent.

Micro-Finance Institutions act as a key instrument for extending financial services to the micro finance sector by raising resources from Banks and other institutions and loans extending to SHG members in the country. During 2011-12 banks have financed to 465 MFIs with bank loans of Rs. 5,205.29 crore and as on 31 March 2012 the outstanding bank loans to 1960 MFIs were Rs. 11,450.35 crore.
Andhra Pradesh has been a leading state in promoting microfinance services through SHGs for poor women in the society. In Andhra Pradesh, the SHG approach constituted the primary route towards poverty alleviation and development. The genesis of SHG movement in Andhra Pradesh can be traced to the experiment conducted by MYRADA-a Bangalore based NGOs with self-help affinity groups in Peddannavaripally of Kadiri mandal in Anathapur district during 1983-85. The process was first initiated under Development of Women and Children in Rural Areas (DWCRA) programme and later intensified under different programmes such as United Nations Development Programme (UNDP) – South Asian Poverty Alleviation programme(SAPAP) launched in 1995, the World Bank funded Andhra Pradesh Districts Poverty Initiatives Project (APDPPI) districts which is under implementation from 2000 and the Andhra Pradesh Rural Poverty Reduction Project (APRPRP) which is under implementation in 2003 and the Indira Kranthi Patham (IKP) covering the entire state from 2005. With an ambitious aim of alleviating poverty and empowering women in rural areas the Andhra Pradesh government implemented the SHG-Bank Linkage Programme through IKP.

In Andhra Pradesh Commercial Banks have the highest share in SHGs Savings, fresh loans and loans outstanding against SHGs, followed by Regional Rural Banks (RRBs) and Co-operative Banks during 2009-12. During 2011-12 in the case of loan amount disbursed in Andhra Pradesh, the percentage growth was 31.6 per cent. Andhra Pradesh occupied more than half of the share in Southern Region in both amount of loan disbursed and amount of loan outstanding. Further, it is observed that Andhra Pradesh occupied one-third share in number of SHGs and more than 40 per cent share in an amount of loan disbursed and loan outstanding in India. Out of total savings and credit linked SHGs, women SHGs occupied 95 per cent as on 31 March 2012.

Indira Kranti Patham is a statewide poverty reduction project to enable the rural poor to improve their livelihoods and quality of life through their own organizations. It aims to cover all the rural poor households in the state. It is implemented by Society for Elimination of Rural Poverty (SERP) at the State level and District Rural Development Agencies at the district level. At present there are 1,15,55,868 SHG members in 10,59,056 SHGs exclusively for women organized
into 38,821 Village Organizations (VOs) and 1099 Mandal Samakhyas (MSs) and twenty two Zilla Samakhyas have come into existence in twenty two districts. In addition to above (MSs), there are 262 Mandal Vikalangula Sangams, seventeen Chenchu Mandal Samakhyas, seven Fishermen Mandal Samakhyas and twenty Yanadi Mandal Samakyas in Andhra Pradesh. By the end of March 2012 the total savings and corpus of SHG members is Rs. 3,724.07 crores and Rs. 5,538.33 crores respectively. During the financial year 2011-12 by the end of March 2012, Rs. 7,866.26 crores of bank loans are given to 3,46,682 SHGs under Bank linkage programme.

**Socio-Economic Profile of the Sample Respondents**

The analysis of the socio-economic dimensions of sample SHG members clearly reveals that 58.7 per cent of the respondents belonged to backward caste, 32 per cent are scheduled caste and scheduled tribes communities and only 9.3 per cent of sample members belong to forward caste. 80.7 per cent of the respondents are from weaker sections. 52 per cent of the respondents belong to young and middle age group of 26-40 years, 39 per cent belongs to 41-55 age group and only 9 per cent of members are above the age of 55 years.

Among the 300 sample members, 87.7 per cent of them are Hindus, 7 per cent of the respondents are Christians and only 5.3 per cent of the respondents are Muslims. 78 per cent of the sample members are literates, only 22 per cent of the sample members are illiterates. The data on family structure clearly reveals that nearly 75 per cent of the families are nuclear families. The average family size of a respondent household is 3.9. Nearly 80 per cent of women SHG members are married and 18 per cent are widowed and 2.3 per cent are divorced and 2.3 per cent are separated. About 97 per cent of the respondents are white card holders, who are below poverty line families and the rest of the members are pink card holders who are above poverty level families.

Nearly 53.3 per cent of the households are living in the pucca houses, 23 per cent of the respondents are living in the semi-pucca houses and 23.7 per cent are living in katcha houses. And 95 per cent of the respondents have own house. Among the total 300 respondents 88.7 per cent of them have electricity facility in their houses.
but 61 per cent of members do not have sanitary facilities and nearly 89 per cent of members do not have the drinking water facility at their home. Only 18 per cent of the respondents have own wet agricultural land and its size on an average is 1.57 acres per respondent. In the same way, only 18.3 per cent respondents have owned dry agricultural land with on an average of 1.99 acres per respondent.

The study reveals that, agricultural wage labour is the major occupation accounting for 31.7 per cent of the sample SHG women. About 18.3 per cent of the sample respondents’ occupation is exclusively petty business followed by artisan 12.3 per cent, housekeeping 12.3 per cent, dairying 10 per cent, cultivation 4.7 per cent, non-agricultural labour 4.7 per cent, employment in private job is 3.7 per cent and persons living on rents, dividends and pensions are 2.3 per cent respectively. Out of 300 SHG members 55.3 per cent of the respondents have no subsidiary occupation. About 16.7 per cent of the respondents depend on non-agricultural labour as subsidiary occupation, followed by agricultural labour (11.3 per cent), dairying (4.7 per cent), cultivation (4.3 per cent), persons living on rents, dividends and pension (4.3 per cent), artisan (1.7 per cent) and petty business (1.7 per cent), as subsidiary occupation respectively.

The data reveals that about 30.3 per cent of the respondent’s monthly family income is in the range of Rs. 5,000 to Rs. 7,500. It is further found that 23 per cent of the respondent’s monthly family income is in between Rs. 1,500 to Rs. 5,000, 29.7 per cent of members are getting the income above Rs. 10,000 and 17 per cent of the respondents monthly family income is between Rs. 7,500 to Rs. 10,000. Further, it is observed that there is no correlation between household’s income and possessing social security cards.

The consumption pattern of the sample households reveals that 44.9 per cent of the consumption expenditure is spent on the food items followed by non-food 31 per cent, medical 10.6 per cent, education 9.9 per cent and liquor and tobacco with 3.6 per cent in total expenditure of the household. The average monthly consumption expenditure per a respondent household is Rs. 5,060.

The study shows that the average value of physical assets possessed by the respondent is Rs. 3,48,200 and the average value of liquid assets is Rs. 72,497. The
respondents on average have Rs. 28,880 worth of consumer durables and the average value of household livestock is Rs. 11,415. Out of total value of assets, 75.5 per cent of assets are held in the form of physical assets, followed by liquid assets (15.7 per cent), durable assets (6.3 per cent) and 2.5 per cent in the form of livestock. The total average assets value of the sample households is Rs. 4,60,992.

The study clearly reveals that borrowing from non-institutional sources is high, despite the provision of credit from institutional sources. The total average borrowed amount is Rs. 60,756, out which, 66.6 per cent is from non-institutional sources. And the remaining share of 33.4 per cent is from institutional sources. Among all sources, money lenders are the main source, which occupied 61.3 per cent of the total average amount borrowed. Followed by SHGs with 24.7 per cent, banks with 8.7 per cent and relatives and friends with 5.3 per cent of the total amount borrowed.

**Organization and Management of Self-Help Groups and its Impact on Socio-Economic Status of Women**

To analyze the organization and management of Self-Help Groups and its impact on socio-economic status of women for the convenience sake this chapter is divided into three sections. The first section presents group dynamics of the SHGs, that is the details related to group formation, regularity of meetings, collection of savings, internal lending, interest rate of internal lending, SHG bank linkage, purpose of linkage, utilization of linkage, outstanding linkage amount, distribution pattern of linkage amount among member’s repayment capacity and problems in the repayment is discussed. Section two examines the economic impact of SHGs on sample household’s in terms of different parameters such as changes in their economic activity, investment, employment, income, changes in savings pattern, consumption expenditure, changes in borrowing pattern and changes in asset position. Section three explains the personal opinion of sample respondents about how much SHG helped them and their family and which type of the micro finance services received by the respondents through joining in SHG.

**Group Dynamics of the SHGs**

The study reveals that 61 per cent of the respondents have 5 to 10 years of experience as a member after joining in SHGs, followed by 25 per cent of the
respondents have 10 to 15 year of experience and only 14 per cent of the members have above 15 year of experience. It is noticed that 37 per cent of the respondents are motivated to join SHGs by other SHG members, followed by 34 per cent are motivated by friends and relatives, 16.7 per cent are motivated by neighbors and 12.3 per cent are motivated by family members.

Further, it is observed that 57 per cent of the sample members have joined SHGs to get loan with low interest, followed by 22 per cent have joined to save money, 13 per cent have joined to earn income and 8 per cent of respondents have joined in SHGs to improve their standard of living. Out of the total sample members 60.7 per cent of the respondents are ordinary members in the SHGs, followed by 32.3 per cent are group leaders and only 7 per cent of members are holding in the position treasurer and secretary. It is found that 79.7 per cent of the SHGs conducted meetings on monthly basis, followed by 5 per cent are on fortnightly and 4.3 per cent is on weekly basis. Further, it is observed that 11 per cent of SHGs conduct meetings rarely.

It is found that 82.7 per cent of respondents are attending to the group meetings regularly but 17.3 per cent of respondents were not attended to the group meetings regularly. It is revealed that 96.3 per cent of the respondents are contributing to the savings monthly. Only 3.7 per cent of the respondents are contributing to the savings weekly. It was found that 77 per cent of the respondents save Rs. 50 per month, followed by 18 per cent of the respondents save Rs. 30 per month, 3.3 per cent of the respondents save Rs. 200 per month and only 1.7 per cent of the respondents save Rs. 100 per month, respectively.

It is observed that 46.3 per cent of respondents have the cumulative savings under SHG below Rs. 500, followed by 29.7 per cent of the respondents have the cumulative savings between Rs. 500 to Rs. 2,000, 11 per cent of the respondents have Rs. 2000 to Rs. 3,500, 7.3 per cent of the respondents have above Rs. 5,000 and only 5.7 per cent of the respondents have Rs. 3,500 to Rs. 5,000. It is found that 84.7 per cent of respondents are going to the banks for group activities regularly, the rest of the respondents 15.3 per cent are rarely visited the banks.

The study reveals that 93.7 per cent of the respondents have the internal lending practices in their group, only 6.3 per cent of the respondents groups did not
follow the internal lending. It is also observed that 73.3 per cent members have utilized internal loans and 26.7 per cent of the respondents do not utilized the internal loan from the SHGs. It is observed that 94.7 per cent of the groups have charged interest rate for the internal loans and only 6.3 per cent of groups have not taken any interest on the internal loans which means there is no interest rate for internal loans in those groups. Further, it is observed that out of total 300 respondents 75.7 per cent of the respondents have taken four bank linkages, followed by 14.7 per cent have taken five bank linkages and only 9.7 per cent of the respondents have received six bank linkages. According to age wise distribution of bank linkage among the respondents out of the total 300 respondents 61 per cent have 5 to 10 years of experience, followed by 25 per cent have 10 to 15 years and 14 per cent have above 15 years of experience.

Under the SHG age group of 5 to 10 years nearly 84.2 per cent of respondents got four bank loans and 15.8 per cent of them got five bank linkages. Further, in the age group of 10 to 15 years, there are 75 respondents. Out of that 75 members 65.3 per cent got the four linkages, 20 per cent got five linkages and 14.7 per cent got six bank linkages, respectively. There are 42 members who have above 15 years of experience as SHG member. Out of 42 members 57.1 per cent got four bank linkages and 42.9 per cent got five bank linkages. Out of 300 members 47.3 per cent of the respondents have received an amount ranging between Rs. 15,000 to Rs. 30,000, followed by 29.7 per cent have received the bank loan amount below Rs. 15,000. 20.7 per cent of the respondents got loan amount between Rs. 30,000 to Rs. 45,000 and only 2.3 per cent of respondents have received the bank loan amount above Rs. 45,000.

It is observed that out of those who borrowed for the purpose of investment 76.2 per cent of the respondents belongs to fourth linkage, 13.8 per cent belongs to fifth bank linkage and 9.9 per cent respondents belongs to sixth linkage. Further, 11.4 per cent of respondents have borrowed for the purpose of consumption belongs to fifth linkage, followed by 5.3 per cent of respondents have taken loan for consumption purpose belongs to fourth linkage and 3.4 per cent respondents belongs to the sixth linkage. Further, 46.7 per cent of respondents utilized their loans for the purpose of investment to run the income generating economic activities, followed by about 39.3 per cent of the respondents have utilized the loans for the purpose of
consumption, 11.3 per cent have utilized for repayment of old debts and 2.7 per cent utilized their loans for investment and consumption simultaneously.

Further, the study reveals that 11.7 per cent of the respondents fully repaid the bank loan which means that they do not have any outstanding amount with them. Further, 36.3 per cent of respondents have outstanding amount between Rs. 15,000 to Rs. 30,000. 25.7 per cent of respondents have outstanding loan between Rs. 5,000 to Rs. 15,000. 16.3 per cent of respondents have below Rs. 5,000 and 9.3 per cent of respondents have between Rs. 30,000 to Rs. 45,000. Only 0.7 per cent of respondents have outstanding amount above Rs. 45,000 respectively. Around 90 per cent have got bank loans on the basis of equity, followed by 8 per cent of the respondents received bank loans on need basis and only 2 per cent of the respondents have taken bank loans on the basis of rotation.

It is observed that 39.7 per cent of respondents repaid the bank loan from their own income, followed by 38 per cent of the respondents repaid through the family income and 22.3 per cent of the members repaid through reduction in individual savings in the group. It is found that about 81.3 per cent of the respondents repaid the bank loans regularly and 18.7 per cent are not able to repay the loans regularly. It reveals that out of 56 members who were not repaid the bank loans regularly, 31 respondents have not repaid the loans regularly due to the reason of the facing poverty, 15 respondents were not regularly repay because they do not have any economic activity and finally 10 respondents do not repay the loans regularly because of natural hazards. 63.7 per cent of sample respondents attended various training programmes and 36.3 per cent of the respondents did not attended to any training programmes.

**Economic Impact of SHGs**

During post-SHG situation out of total sample members 49.3 per cent have engaged in economic activities like agriculture, dairying, petty business and artisan as their occupation while it was 29.3 per cent in pre-SHG situation. The percentage change in investment between pre and post-SHG situation reveals that 20 per cent of the respondents shifted from lower slab investment range to higher slab investment ranges. The incremental investment in agriculture is 153.7 per cent, followed by
artisan 101.9 per cent, 64.3 per cent in petty business and 16.3 per cent in dairying activity.

Further, the study reveals that 20 per cent of the respondents are additionally getting employment opportunity through economic activities and 17.8 per cent of the respondents are getting gainful employment additionally during post-SHG situation as compared to pre-SHG situation. It is found that the increase in incremental employment is 28.4 per cent. Finally, it is observed that the activity wise increase in incremental employment is highest in agricultural activity (49.5 per cent) followed by artisan activities (19.1 per cent), petty business (12.9 per cent) and dairying (2.7 per cent). It is noted that during post-SHG situation both the no income category respondents and less income category respondents are significantly benefited.

The study brings out conclusion that the highest per cent of incremental income is generated from agriculture while the lowest incremental income is generated from dairying activity in the post-SHG situation as compared to pre-SHG situation. It is recorded that during pre-SHG situation only one per cent of the respondents are saved monthly while in post-SHG situation the saving habit is increased up to cent per cent. During post-SHG situation 29 per cent of the respondents increased their consumption expenditure to the extent of above Rs. 5,500 and 24.7 per cent has increased their monthly consumption expenditure in the range of Rs. 3,500 to Rs. 5,500 as compared to pre-SHG situation.

It is observed that the total average monthly consumption expenditure of the respondent households during pre-SHG situation is Rs. 2,353 and it is increased to Rs. 5,060 during post-SHG situation. It is observed that higher incremental change is reported in educational (283.2 per cent) followed by, medical (264 per cent), non-food expenses (137.5 per cent), liquor and tobacco (101.1 per cent) and food expenditure (71.6 per cent).

It is observed that 17.7 per cent of the sample respondents did not have any assets during pre-SHG situation while during post-SHG situation cent per cent are having the assets. It is concluded that 247 members are having the average value of total assets worth Rs. 2,72,588 during pre-SHG situation while it is increased to Rs. 4,60,991 during post-SHG situation. It is related that the average value of total assets
owned by the sample respondent households during post-SHG situation is Rs. 4,60,992 where as it was Rs. 2,24,432 during the pre-SHG situation. After the intervention of the SHG programme, the total average value of incremental assets of the sample respondents is Rs. 2,36,560.

**Personal Opinion of the Respondents**

From the study it is observed that 64.7 per cent of the respondents opined that they have monetarily benefited through joining in SHG and 84.7 per cent of the respondents opined that the total family is benefited through joining in SHG. It is revealed that 68 per cent of the respondents opined that the SHG programme substantially helped them to develop. About 90 per cent of the respondents opined that they have improved their standard of living through joining in SHG. Nearly, 95 per cent of them opined that they developed the will power to face financial crisis confidently through joining in SHG. Further, 95 per cent of the respondents have improved their communication skills through SHG. The sample respondents are found to be benefited through the other financial services namely insurance, old age pensions, widow pensions, pavala vaddi, abhaya hastam, educational scholarships, bridge loans, personal loans, marketing facilities, food security and deepam scheme.

**Impact of Self-Help Group Programme on Eradication of Rural Poverty**

The study reveals that among the sample districts Ananthapur is in the first place in poverty eradication through SHG programme than Mahabubnagar and Srikakulam districts. Srikakulam is found to be third place in eradication of poverty. In Ananthapur 55.2 per cent of poverty has been eradicated but in Mahabubnagar 38.9 per cent of poverty has been eradicated and in Srikakulam only 34.9 per cent poverty has been eradicated by the SHG programme. Among the sample districts health care index has contributed more to poverty eradication. The less contribution is by the employment index except Ananthapur district where the lowest share is contributed by income index. It shows that on an average SHG programme eradicated 55.2 per cent of the poverty in Ananthapur district.

**Impact of Self-Help Group Programme on Women Empowerment**

The study tries to find out whether the economic, social, health, education, knowledge and political impact of SHGs on sample women respondent’s
empowerment levels is significant during post-SHG situation as compared to pre-SHG situation. Among the three districts, Ananthapur is in first place with 59.5 per cent of the empowerment level than that of Srikakulam with 52.5 per cent and Mahabubnagar with 50.2 per cent of the empowerment level. Among the three districts women are empowered highly in economic aspect and less empowered in educational perception. By applying the methodological framework to estimate mean values to know the effect of SHG programme suggests that the programme did contribute to the greater empowerment level in economic perspective and social perspective, medium empowerment level in health aspect and closer to the average level of empowerment in political aspect but women have very less empowered in educational perspective.

Conclusions

Based on the above findings, the following major conclusions could be drawn:

- About 53 per cent of the respondents are not utilizing the loan amount for investment purpose.

- About 64 per cent of the respondents got training to take up economic activities under SHG scheme but all of them are not utilizing the training experience.

- SHG programme has a positive impact on the respondent’s preference for change in their occupation and investment capacity as compared to before joining in the SHG programme.

- After joining in SHG programme only twenty per cent of the respondents are taking up additional economic activities as their occupation. The impact of SHG programme on respondent’s additional economic activities is not significant.

- SHG programme have a significant impact on the respondent growth in access to institutional credit.
• SHG programme have significant impact on consumption expenditure and assets.

• SHG programme has considerable impact on incremental income, savings, household expenditure, incremental assets and incremental institutional borrowing.

• SHG programme have significant impact on monthly savings of the respondents.

• Microfinance through SHG programme has significant impact on the respondent’s self confidence in handling money, in addressing social problems, in level of participating in family decision making and in receiving respectful treatment from the family members and in increase their communication skills. But SHG programme has insignificant impact in demand for their rights from family, community and government.

• All the respondents opined that they have benefited through joining in SHG programme.

• About 90 per cent of the respondents opined that they have improved their standard of living after joining in SHG programme.

• The study reveals that the impact of SHG prograrmme on eradication of poverty is not significant in the districts of Srikakulam, Mahabubnagar but is significant in Ananthapur district.

• Everthough the SHG programme has provided a good environment for the upliftment of the rural poor women in the study area, still poverty persists among the rural poor women.

• The study found that the SHG programme has empowered women in a significant way in the study area. The highest per cent of women is empowered in Ananthapur district followed by Srikakulam and Mahabubnagar districts.
• SHG programme is contributing higher empowerment level in economic perspective and social perspective, medium empowerment level in health aspect and closer to the average level of empowerment in political aspect. But women have less empowered in educational perspective.

• Microfinance through SHG programme is found to be powerful tool in lifting the rural poor women towards eradication of poverty.

Suggestions

Based on the conclusions drawn from the study area, the following suggestions could be offered to improve the functioning of SHG programme so as to make them sustainable from both the institutional and as well as the financial perspectives:

• Women beneficiaries of SHG-bank linkage programme must be trained in technical skills and in product specific training before women entrepreneurs start micro enterprises. During the period of training the trainers must be taken to the field visits of the successful micro enterprises in that region.

• Strict supervision should be maintained by the concerned officials of the SHG programme in respect of eliminate the evils such as inactivity, improper utilization of fund and motivating the members towards the proper utilization of finance for productive purpose and also to avoid diversion of funds for other purposes.

• With the help of the Village Organizations, a network is to be formed with full details of the products produced by various SHGs. This will facilitate to the members of SHGs for better marketing and new ideas for new business opportunities. Establishment of marketing information centre at district level for enhancing the opportunity of marketing outside.
The co-operative marketing societies and other agencies should be established to help SHGs in marketing activities and searching the right consumers.

Associations of women entrepreneurs may be formed with a view to provide them a platform to exchange information about the problems and performance and to draw the attention of the government to the problems.

Government is implementing various sub-schemes of assistance under the SHG programme, policy makers must see that whether it reaches to women properly.

Supervision should strengthen over the working of SHGs and their federations in various levels to make SHG-bank linkage programme effective and sustainable.

The development of a nation is vested on the shoulders of both men and women. Now a days the women self help groups are playing a predominant role in the eradication of poverty among the rural poor. It is suggested that the SHG concept for men can be adopted in the study area. If this has been implemented, the youth especially unemployed can be benefited and they can also involve themselves in the process of poverty eradication.

Scope for Further Research

The following areas are suggested for further research in Self-Help Groups:

The Further research is suggested to address the fundamental problems of the programme. The fundamental problems includes investment, gainful economic activity, production, marketing, finance, training and human resource related.

Comparison of performance members of women SHGs with men SHGs can be undertaken.

A comparative study of the performance of the SHGs on the basis of different models of the SHG-Bank linkage.