CHAPTER – V
SUMMARY AND CONCLUSION

Empowerment of women is recognized globally as a key element to achieve progress in all areas. It is an active, multidimensional process, which should enable women to realize their full identity and power in all spheres of life. Empowerment in the context of women’s development is a way of defining, challenging and overcoming barriers in a woman's life through which she increases her ability to shape her life and environment. According to FAO, the most disadvantaged section of society is the women; they are the ‘silent majority’ of the world's poor. Seventy per cent of the world’s poor are women. They face peculiar social, cultural, educational, political and allied problems. Studies have shown that rural women help in producing up to 80 percent of food in developing countries, yet they are entitled to only a fraction of farm land and access to just 10 percent of credit and five percent of extension advice (Agrawal, 2003). In almost all the societies, women have less power than men, have less control over resources and receive lesser wages for their work. They remain as an ‘invisible’ work force. Inevitably, all these affect women's capacity to open up, grow, develop, exceed and excel. India envisions a future in which Indian women are independent and self-reliant. It is unfortunate that because of centuries of inertia, ignorance and conservatism, the actual and potential role of women in the society has been ignored, preventing them from making their rightful contribution to social progress. It is also because of distorted and / or partial information about their contribution to family and society that they are denied their rightful status and access to development resources and services contributing to their marginalization.

Women must be empowered by enhancing their awareness, knowledge; skills and technology-use efficiency, thereby, facilitating overall development of the society. The concept of Self Help Groups (SHGs) is proving to be a helpful instrument for the empowerment of women. The basic
principle of the SHGs are group approach, mutual trust, organization of small and manageable groups, group cohesiveness, spirit of thrift, demand-based lending, collateral free, women friendly loan, peer group pressure in repayment, skill training, capacity building and empowerment. Participation in income generating activities help in the overall empowerment of women. Empowering women through education, ideas, consciousness, mobilization and participatory approach can enable them to take their own decisions, make them self-reliant and self-confident. Above all, SHGs enhance the equality status of women as participants, decision-makers and beneficiaries in the democratic, economic, social and cultural spheres of life. SHG are fast emerging as “women’s movement” throughout the nation.

There was phenomenal growth in the SHG movement in India. Till March 31\textsuperscript{st}, 2009, under SHG-Bank linkage programme, 61 lakhs SHGs held savings bank account with total savings of 5545.60 crores compared to 50 lakhs SHGs with savings of 3785.39 crores as on March 31\textsuperscript{st}, 2008. Thus, more than 8.06 crores poor households were associated with banking agencies under the SHG-Bank linkage programme. Like the rest of India, in the union territory of Andaman and Nicobar Islands, National Bank for Agriculture and Rural Development (NABARD) with the active collaboration of National Cooperative Union of India has started its activities in microfinance sector in 1992 with objective of addressing both poverty alleviation and women’s empowerment.

Several studies have been conducted to assess the performance of SHGs over the years. Studies by Kumaran (1997), Manimekala and Rajeswari (2000), Vijayanthi (2000), Datta and Raman (2001), Madheswaran and Amita (2001) and Nirmala et al. (2004) have all shown that despite the short period of its launching, the SHGs programme has been performing much better by improving the socio-economic status of its beneficiaries than the earlier poverty alleviation schemes through formal credit system in the country. Other studies (Nair, 2005; Moyle, Dollar and Biswas, 2006 and Chakrabarti, 2004) assessed more specific type of issues such as role of SHG federations in
providing sustainability of SHGs, economic and personal empowerment of women and role of microfinance in poverty eradication. Though there are many studies suggesting the successes of SHGs in empowering women, some of the important questions that arise here are: Are our formal lending institutions capable of handling so many illiterate women? Are the loans given to SHGs sufficient to start an income generating activity of their own? What are the likely marketing problems which are likely to arise when SHGs start micro enterprises? This study attempts to examine these questions and arrive at a conclusion regarding whether the women are heading towards right direction of self-empowerment.

OBJECTIVES

The specific objectives of the study are:

To study socio-economic and living conditions of these SHG beneficiaries.
To assess the organizational dynamics and working of these groups.
To estimate the net returns from various income generating activities and identify the factors influencing the net returns.
To evaluate the performance of SHGs on economic, social and political empowerment of women and their role as decision maker.
To analyze the socio-economic status of women beneficiaries and the problems faced by them in starting micro enterprises.
To examine the future expectations of these beneficiaries with regard to the functioning of these SHGs.

HYPOTHESIS

The physical quality of the life index of the beneficiaries was quite satisfactory.

The functioning of SHGs is not up to the desired level due to the various socio-economic constraints.
The profit of the enterprises run by SHG members was quite low.

SHGs have a direct bearing on the social, economic and political empowerment of women and their role as a decision maker.

SHGs have enhanced economic and social awareness of the beneficiaries.

Inadequacy of income, work related and family problems were the major issues confronting the beneficiaries.

Skill and capabilities of the beneficiaries improved in the post-SHG period.

**METHODOLOGY**

Multi-stage sampling design was adopted for selecting the sample. The study was restricted only to Andaman Island. The study covered all the three regions of the Island, namely South Andaman, Middle Andaman and North Andaman. In the first stage, out of four blocks, the first block namely Port Blair, Ferrargunj and Little Andaman in South Andaman comprising a total of 170 inhabited Census villages, another block Rangat which includes 65 villages in Middle Andaman and two blocks, Diglipur and Mayabandur which consists of 105 villages in North Andaman were selected. In the second stage SHGs were selected on the criterion that the group had been functioning for atleast 4-5 years. In South Andaman, out of 2680 SHGs, 28 groups, in Middle Andaman, out of 861 SHGs, 10 groups and in North Andaman out of 575, eight groups were selected randomly constituting around one percent of the universe in each area. In stage three, sample SHG members were selected. In South Andaman, from selected 28 groups 314 beneficiaries, in Middle Andaman from 10 groups, 115 beneficiaries and from North Andaman from eight groups, 95 beneficiaries were selected by adopting purposive sample technique, as not all the members were willing to co-operate with the investigator. Hence the investigator approached only those members who
were willing to cooperate and supply the needed information. Totally 47 SHGs and 524 members were selected for field survey from these three areas.

The data for the study were collected from the selected respondents by administering a pre-tested interview schedule during the period 2010-2011. Besides averages and percentages, techniques like chi-square test, physical quality of life index, multiple regression analysis, compound growth rate, Garrett’s rating scale, Likert’s summated rating scale, Kruskal Wallis H Test, Cronbach’s alpha, Factor Analysis, Paired t test, Gini Coefficient and Women Empowerment Index were used to analyse the data.

MAJOR FINDINGS OF THE STUDY
Socio-Economic Profile of SHG Members

Out of 524 members surveyed, 60 percent were from South Andaman, 22 percent from Middle Andaman and 18 percent from North Andaman. The surveyed population was predominantly Hindus (60 percent), though the presence of Christians (27 percent) and Muslims (13 percent) were also evident. Thus, the SHG was definitely reaching out to all religious groups.

There was predominance of other backward and backward communities among the surveyed population in Andaman Islands. The scheme of SHG, seem to a large extent, met the objective of extending benefits to weaker sections of the society.

Though a large number (70-77 percent) of the SHG members were living in nuclear families, majority (60 percent) of the Islanders were practicing large family norms, with households having 5 or more members. The average size of the family was 5.23 in North Andaman, 5.12 in Middle Andaman and 4.55 in South Andaman. Thus majority of the respondents were not adopting small family norms.
Nearly 2/5th of the respondents were in the active age group of 30-40 years. The area-wise break-up of the respondents also exhibit similar pattern with more than 2/5th of them being in the age group of 30-40 years. A study by Suguna (2006) also reveals that 41 percent of the SHG women are in the age group of 30-40 years. The need for supplementing their family income and their desire to save for the future may have motivated these women to join SHGs.

Information relating to marital status reveals that higher percentage (92 percent) of the respondents were married. Area-wise too, similar pattern was seen with most of the respondents being married and only a negligible few (3 percent) being unmarried. Sreramulu (2008) also opined that in SHG programme, majority of the respondents belongs to married category. The additional responsibility of running a family may have motivated the women to join SHGs.

Majority (36 percent) of the SHG women had schooling up to primary level, followed by 23 percent who had completed middle school, nine percent had competed secondary school and one percent had the privilege of college education. It is discerning to note that nearly 20 percent of the beneficiaries were illiterate and the incidence of illiteracy was marginally higher among SHG women in North Andaman (22 percent) than South (20 percent) and middle (19 percent) Andaman.

The analysis of occupation of the respondents in the pre-SHG period reveals that nearly 3/5th of the women were unemployed prior to joining SHG and the remaining 36 percent were employed in fishing, private concerns and services sector. Low literacy coupled with poor economic resources may have prevented these women from entering the labour market or practicing economic activity of their own. SHG programme had enabled these women an opportunity to earn additional income.
The per capita income, arrived at by dividing total family income by family size, was `3488.25 for the sample households. Area-wise, the respondents in South Andaman had the highest per capita income of `3592.86 and it was the least for respondents in North Andaman (`3223.25). The low per capita income of the households imply that most of the SHG members belonged to the lower strata in the society.

The estimated chi-square values reveal that SHG members did differ with respect to religion, caste, marital status and family size. The remaining variables like family structure, age, education, occupation and total family income were found to be insignificant. Thus, religion, caste, married status and family size were the major factors differentiating SHG members coming from different parts of the Island.

**Living Conditions**

While 52 percent of the sample households own their houses, an equally large percentage (48 percent) lived in rented houses. Area wise, in middle Andaman a larger proportion (57 percent) lived in own houses while in South and North Andaman, there was more or less equal distribution of households living in own and rented houses.

Nearly 70 percent of the households live in semi-pucca or pucca houses, about 30 percent live in kutcha houses. Majority (93 percent) of the houses are electrified. The proportion of households without electricity was highest in South Andaman (11 percent) and least in North Andaman (2 percent).

Nearly 64 percent of the households have pucca latrine and the remaining 36 percent used open space or public latrine. Almost 89 percent of the households have access to safe drinking water.

Kerosene is a common fuel reported by majority (41 percent) of the households. The next important item of fuel was wood, which was
reported by 33 percent and nearly 27 percent of the households were using gas. The switch over to gas was a recent phenomenon for most of the households after SHG movement.

The estimated value of Physical Quality of Life Index (PQLI) reveals that the percentage of households classified as poor was maximum (24 percent) in South Andaman, followed by Middle Andaman (18 percent) and North Andaman (18 percent) where the proportion of poor was equal. A considerable proportion of households (49 percent) were placed in the category of good, with the proportion being highest in North Andaman (52 percent) and least in South Andaman (37 percent). It is encouraging to note that substantial proportion of the households has good quality of life. In fact this proportion was highest in South Andaman (39 percent).

Organizational Dynamics

Nearly 50 percent of the respondents have been the members of SHG for the past 6 to 10 years and about 42 percent have been members of SHG for 3 to 5 years. Area-wise too, most of the women have been members of SHG for more than three years and the new entrants have been quite negligible. This implies that SHG formed have been sustaining over the period of time.

For nearly two thirds of the respondents, it was peer pressure in the form of neighbours and friends who induced the respondents to join self help groups. The next important influence was the SHG members themselves who motivated 22 percent of the respondents to form groups. The influence of NGOs was stated by only 15 percent of the respondents to form groups. The influence of NGOs was stated by only 15 percent of the respondents. Thus it was peer pressure that was motivating women to take up SHG activities.
Majority (51 percent) of the members have joined SHGs ‘to supplement their family income’. The next important reason cited by the members was ‘to be independent (31 percent) followed by low income (18 percent). Thus women join SHGs to supplement their family income and protect their rights.

About 78 percent of the respondents belong to groups with 10-15 members, 12 percent were in groups which had more than 16 members and only 10 percent were in groups with less than nine members. Thus, the respondents belonged to groups with ‘ideal size’ which is required for group cohesion, stability and for exerting peer pressure on the group.

Nearly three-fourth of the respondents was holding the position of ordinary members, 13 percent were active members and less than 10 percent held the position of secretary / cashier or group president. Despite the involvement of the respondents in SHG activities, most of them were passive members. Thus SHGs have failed to groom in these women, leadership skill and active involvement.

Group meetings are conducted on monthly basis (as stated by 89 percent), followed by fortnightly (11 percent). More than half of the respondents have stated the onus of deciding the agenda for the meeting generally falls on the group members. In the preparation of agenda, the involvement of SHG members in decision was quite high with nearly 85 percent of them stating that all members were involved in decision making.

Irrespective of location, consensus appeared to be the common method adopted by the SHG members in arriving at decision. Regarding conflicts that may arise among the members of the group, three fourth of them have stated that such conflicts were resolved by the members themselves.
About 84 percent have claimed that the register, accounts books, etc; were maintained properly. However 16 percent have stated that either the books were not kept properly or they were not aware of such practices. Thus the level of transparencies in the operation of SHGs need further improvement in the Island.

Accessibility to the various documents maintained by the groups reveal that 83-89 percent of the members belonging to different regions of the Island have stated that they had the accessibility to the documents. While functioning of SHGs in the Island was democratic through involvement of the members in decision-making, it needs improvement in its operation by bringing greater transparency and accountability in all its activities.

Savings behaviour of the respondents reveal that majority (91 percent) of the respondents was saving ` 100 per month and only nine percent were saving more than ` 200 per month. Suguna (2006) in her study also observes that 46 percent of the respondents were saving above ` 50 per month. More than 2/3rd of the members have stated that they started savings after a period of one month.

Majority of the respondents were aware about the amount of thrift collected by their group. Only 16 percent of the members have expressed ignorance in this regard. The source of saving for majority (86 percent) of the members, irrespective of their place of residence was own income and around 13 to 17 percent of the members depended on other sources like husband’s income, past savings, etc to finance their savings.

Nearly 73 percent of the respondents have claimed that in the selection of beneficiaries and determination of interest on the loan advanced, the decision was taken by the group as a whole. Thus the credit operation
are discussed and finalized by all the members implying that the group was adhering to democratic principle in its credit operations.

In the case of default on payment, majority (74 percent) have claimed the decision on penalty or punishment was made by the whole groups. Thus there was transparency in the lending operation of the groups and SHGs in Andaman Island were adopting equity principle in its lending operations.

In North Andaman, all the respondents participated in the programmes organized by NGOs and Panchayat Union, whereas in South Andaman and Middle Andaman, this proportion was 70 and 78 percent respectively. The proportion of members who did not participate in community programme was highest in middle Andaman.

About 399 respondents (76 percent) expressed that they were satisfied with their group. The proportion of non-satisfied respondents was more in middle Andaman (31 percent) and least in North Andaman (15 percent). Hence for ensuring the sustainability of the SHGs in the Island, steps must be taken to iron out the constraints in the functioning of the SHGs and enhance the satisfaction of the members.

An attempt has been made to determine to what extent the SHG members in Andaman Island were able to develop their skills in the post-SHG period by using factor analysis which reveals that the members were able to develop their decision-making skill, literacy skills, communication ability, leadership qualities, extension skill and public speaking skills. These skills definitely helped the members to improve their self-confidence and self-discipline. Murugan and Dharmalingam (2000) also arrive at similar conclusion when they point that the SHGs increased the literacy skills of the members, simple leadership qualities, liaison with NGOs and government officials etc.
Self-Employment / Income Generating Activities

Nearly 1/4\(^{th}\) of the respondents were engaged in making food products like pappads / eatable items / curry powder, followed by 1/5\(^{th}\) respondents engaged in small business like tailoring, broom-making etc, another 19 percent in dairying and around 12 percent in petty shops / hotels. Most of the activities were traditional and less remunerative like petty shops, food and beverages, tailoring, pot making etc.

Majority (51 percent) of the respondents have started their activity during the period 2001-2005, followed by 44 percent during the period 2006-2009 and less than five percent have started the enterprise prior to 2001.

More than 3/4\(^{th}\) of the respondents in South and Middle Andaman have attended the training camps before establishing their enterprise, whereas in North Andaman, this proportion was only 67 percent. Thus nearly 1/3\(^{rd}\) of the respondents have not undergone any training or orientation programme to upgrade their skill.

About 78-80 percent of the SHG members located in South, Middle and North Andaman have received training from institutions like NABARD, District administration, NCUI, Micro-finance Institutions, Cooperative banks and NGOs.

Majority (70 percent) of the respondents through their activity has provided employment to 2-3 members and 22 percent have provided employment to 4-5 individuals. The SHG members by undertaking income-generating activities have generated employment not only for self but also for the unemployed persons in the society.

The level of technology adoption was found to be either zero, low or moderate in the study area. The technology used was low for 50
percent of the SHG members and about 31 percent were employing moderate technology. The adoption of moderate technology was highest among SHG members in South Andaman (36 percent) and least in middle Andaman (24 percent). About 13 to 21 percent of the members did not use any technology since some of the activities adopted by these women were traditional.

A comprehensive study of average investment made in different localities of the Island showed the average investment made was maximum in South Andaman (` 59,629), followed by North Andaman (` 58,474) and middle Andaman (` 55,522).

In North Andaman, all the surveyed members have started their enterprise by directly borrowing from banks, whereas in Middle Andaman 91 percent had borrowed from banks and nine percent had borrowed from NGOs. In South Andaman, besides direct bank loans (83 percent) and NGOs (14 percent), about 4 percent used thrift amount to finance their investment. Thus unlike other states in India where NGOs play a critical role in advancing loans to SHG members in the Islands, the dependence on banks for meeting their investment needs was very high.

Around 12 percent have fully repaid the loan and the remaining 88 percent are in the process of repaying the loan. The recovery status was also good with 95 percent of the respondents stating that they have not defaulted in the payment of loan. There are only few cases (5 percent) where the members have defaulted in their payment due to the loss they suffered in their enterprise.

In all the three regions of the Island, there was significantly positive growth in operational cost, sales turnover and profit and growth rate in profit was higher than the rate of growth of sales turnover and operational cost. Despite the significant positive growth, the profit was
quite low. This shows the productivity of the enterprise was not very encouraging. Ramachandrulu and Appa Rao (2011) have also reported that the net profit of micro enterprises run by the SHG members was quite low.

The influence of human capability on profit from entrepreneurial activities analyzed by using multiple regression analysis revealed that while sales turnover, experience square and experience would cause the profit to increase, the current educational level would significantly reduce. This indicates that further experience, experience in the current employment and sales turnover are important determinants of profit from entrepreneurial activity.

**Marketing Practices**

Irrespective of the location, around 68 percent of the respondents have stated that they prefer cost plus pricing strategy in determining the price of the products and the remaining 32 percent have stated the demand for the products determine the price.

About 287 (91.4 percent) respondents in South Andaman, 99 (86.1 percent) in Middle Andaman and 81 (85.3 percent) in North Andaman give regular discounts to attract customers and to improve their business relations with the customers.

In the survey, 280 (89.2 percent) respondents in South Andaman, 96 (83.5 percent) in Middle Andaman and 82 (86.3 percent) of the respondents in North Andaman preferred the sale of goods through retail outlets and 34 (10.8 percent) of the respondents in South Andaman, 19 (16.5 percent) of the respondents in Middle Andaman and 13 (13.7 percent) of the respondents in North Andaman used wholesale method for selling their products.
About 57 percent of the members preferred the sale of their goods in cash, 13 percent gave credits to their customers and about 30 percent of the respondents followed both the methods. About 54 percent of the entrepreneurs who give credit to their customers said that they give credit for a period of one week to one month.

The local fairs are organized by agencies like NABARD and NCUI in the Islands to showcase the products produced by the SHGs. The survey indicates that on an average, 90 percent of the respondents have never participated in any fair. Less than 10 percent of the respondents resorted to advertisements as publicity means to reach the customers. This was achieved by distributing free samples or through door-to-door campaign.

All the respondents agreed that they sell their products on regular basis and they faced competition from business people. The two popular strategies which are adopted by the members to remain in the business were price reduction and advertisement, in the order of priority. However, around 34 percent respondents used brand name to popularize their products.

The analysis of the customer relationship shows the main focus of SHG members was to market their product to reach all customers and only few, around 13 to 14 percent, focused their attention on children as their clients. All the SHG members undertook the production of commodities which had regular demand and they did not favour door delivery of their products.

More than half of the respondents stated that profits of the group was shared yearly once and around 46 percent stated it was done on a quarterly basis profit sharing definitely helps in binding the members to their respective group and thus ensures the sustainability of the group.
But from the point of ensuring a corpus fund, it was disheartening to note that more than 3/4th of the respondents have stated that profits are not retained. The proportions of customers who have stated that the profits are retained are more in North Andaman (24 percent) and least in Middle Andaman (10 percent). This does not augur well for the group from the point of view of long run sustainability.

**Women Empowerment**

Prior to joining SHGs, around 62 percent of the women had no income and the average income earned by the members was less than ` 1500 per month. Thus income distribution was highly skewed in favour of lower income scale in all areas of the Island. The post-SHG period saw a significant improvement in the income earned by the women, with post-SHG income being ` 8007. Thus, the post-SHG period saw movement of the respondents to higher income slabs, with concentration being more in the middle income slabs.

The average family income in the post-SHG period was nearly 2 times more than in the pre-SHG period. The average family income was highest in Middle Andaman (` 18592) and lowest in South Andaman (` 16571). In short, monthly family income had shown significant improvement after women took up SHG activities.

The budget share on food items had shown significant increases in the post-SHG period when compared to pre-SHG period. The ratio of food to non-food expenditure which was 80 : 20 in the pre-SHG period changed to 86 : 14 in the post-SHG period.

There was significant increases in the possession of assets like land, house, gold, television, mixie, grinder, moped, scooter etc., in the post-SHG period. While the proportion of households owning land and house showed marginal rise in the post-SHG period, there was more than two-fold rise in the proportion of members owning consumer
durable items. This implies that conspicuous consumption was on the rise among the SHG members with improvement in their income.

The paired ‘t’ test revealed that the observed differences in monthly income of the respondents, monthly family income, monthly consumption expenditure and total value of assets in the pre- and post-SHG period was statistically significant at one percent level, indicating that there was definite enhancement in the economic status and living standards of the respondents after joining the SHG.

The analysis of the Gini co-efficient reveal that the incidence of inequalities in own income, family income and consumption expenditure which was 0.71, 0.30 and 0.46 respectively in the pre-SHG period declined to 0.19, 0.17 and 0.10 respectively in the post-SHG period. Thus, the post-SHG period saw a significant decline in inequalities in own income, family income and expenditure.

Only one-third of the respondents had savings bank account prior to joining SHGs, while the remaining 2/3rd did not possess any savings bank account.

The amount of savings was also meagre with a vast majority of the members in South Andaman (72), Middle Andaman (22) and North Andaman (24) saving less than ` 100 per month.

While 50-56 percent of the respondents have expressed their intention to save in future, about 37 to 40 percent have expressed their inability to save. Their low income coupled with high cost of living may be the reason for the respondents expressing their inability to save in future.

All the women were unanimous in assigning the first rank to “food security” as the major reason for saving. The other reasons in the order of priority, was “self respect” and “social security” for women in South
and North Andaman and “social security”, and “education / marriage of their children” for women members in Middle Andaman.

The Kruskal-Wallis H value, to find whether the women members differed in their reasons for saving was 0.0733 less than the table value (2 0.05 = 5.991) implying that women members did not differ on the reasons for savings. Thus, for women members at large, economic reasons tend to dominate over non-economic reasons for savings.

The sampled women members belonging to various parts of the Island still relied on informal sources of finance (money-lenders) not withstanding their association with SHGs. This indicates the limited spread of microfinance in the Island.

Majority (92 percent) of the women members had borrowed from SHG/bank for taking up income generating activities while the remaining eight percent had borrowed both for production and consumption needs. The percentage of women borrowing both for productive and unproductive needs was high (12 percent) in North Andaman.

While visible charges were seen in post-SHG period in inter-spouse consultations on matters relating to children’s education, marriage, purchase of consumer durable, health care and entertainment, there was less involvement of women on matters relating to huge investment, like buying and sale of property and buying vehicle.

The awareness about various social / community problems was quite high among the sample respondents with only 10 percent stating their ignorance on these issues and alcoholism was the basic community problem faced by 3/4th of the members in the Island.

For more than 2/3rds of the members belonging to different parts of Islands, social issues and community problems was taken up for discussion only occasionally in the SHG meeting.
Nearly $2/3^{rd}$ of the members have expressed ignorance on the action taken on social issues. More than half of the members opined that changes have occurred and $2/3^{rd}$ have stated that they participated in the social development programme organised by the panchayat union. Thus on the social empowerment front, there was a need to create greater awareness on social evils and encourage women to participate in the eradication programme for social upliftment of women.

Majority (65 percent) of the respondents were not members of any social or religious organization and about $1/4^{th}$ of the members, held responsible position in these organisation.

About $1/3^{rd}$ of the members belonging to different parts of the Island attended the convention organised by Gram sabha and about 67 percent kept away from the activities of gram sabha. Thus SHG members were not actively involved in local self government.

About 17 percent of members in Middle and North Andaman and 12 percent in South Andaman contested for election in local bodies, but were not able to win the election.

Nearly 68 percent of the women exercised their right to vote in last election and highest turnout was in Middle Andaman (73 percent) and least in North Andaman (64 percent).

Among the sample, 65 percent in South Andaman, 64 percent in Middle Andaman and 66 percent in North Andaman were active members in political parties. Thus, though the SHG members had active membership in political parties, their involvement in party activities, contesting for election etc were minimum.

The distribution of members on the basis of empowerment index score reveals that 66 percent of the respondents were empowered. Area-wise, about 70 percent in Middle Andaman, (65 percent in North
Andaman and 64 percent in South Andaman were classified as empowered while 18 percent, 23 percent and 19 percent respectively as fully empowered. There was no striking differences in the percentage of partially empowered women in different areas of the Island, excepting in the case of non-empowered, whose presence was seen only in South Andaman. Thus majority of the SHG members in the Islands are classified as empowered.

To identify the extent to which economic, social and political empowerment influenced overall empowerment, multivariate regression analysis was carried. Initially factor analysis was done to arrive at factor scores which was regressed on women empowerment index. All the variables were found to be positively and significantly correlated with women empowerment index, with economic empowerment co-efficient showing a higher impact of 0.426 units, followed by social empowerment (0.246) and political empowerment (0.194). Thus, strengthening the independence and boosting women empowerment. With economic independence, a positive change takes place in their social outlook and the women are in a position to articulate their aspirations for a change, which in turn improve the level and extent of participation of women in local planning and decision-making.

Problems of SHGs

Factor analysis used to identify the underlying pattern of relationship between the various dimensions of problems faced by the SHG members revealed that the major hurdles were activity-related, lack of cohesiveness in the group and gender-related issues.

The foremost problems women encountered was limited occupational choices due to lack of expertise and family centric approach. Further SHG imparts training on those activities which demand the use of low
technology. Being first time producers, they lack expertise in marketing, storage and transportation and face uphill task in creating visibility for their product.

On the organizational front, the members face problems relating to poor representation in the group and lack of proper leadership. Besides they also face sexual harassment. While the SHG approach has definitely empowered them on the economic front, they still face hurdles in the performance of the activities.

**Further Expectations**

The foremost need expressed by the SHG members was to augment the income-generating activities (1st rank). They wanted greater choice in income generating activities.

The other needs in the order of priority were impart training (2nd rank), help in marketing the products (3rd rank), provide adequate credit (4th rank), ensure food security (5th rank), help in procuring raw material (6th rank), provide health care (7th rank), education (8th rank) and provide crèches / day care centre (9th rank). Thus, the future expectations of the women members were both activity – and family – centered.

**CONCLUSIONS**

To sum up, the SHG has acted as a catalyst in helping the marginalized women in Andaman Island to improve the physical quality of their life, in developing the habit of thrift, decision-making and literacy skill and earn additional income from the productive activity taken up after joining the group. The SHG approach has influenced three spaces in member’s life, namely, economic, social, political and eventually empowered majority of the selected SHG members in the Island. While the SHG approach has empowered the women, they face hurdles in the form of limited choice in
income-generating activities, lack of cohesiveness in the group, constraints in marketing their product and limited availability of credit.

Suggestions

In the light of the above findings the following recommendation are made:

Given the large number of SHGs formed, the project should lay emphasis on improving the quality of the groups formed instead of adding on to the numbers. Ultimately, the quality of the groups, in terms of their enhanced capacity would determine the sustainability and success of the project, also strengthening the existing groups, thereby consolidating them and providing empowerment to its members which is essential. The success so achieved will automatically encourage formation of new groups.

Till now the SHG training focused only on traditional training methods. Certain innovative methods have been introduced but not institutionalized. Introducing new training methods, including ‘Experience Sharing’ Sessions, Live Case Studies, Exposure Visits, Peer Congregations and Learning etc., needs to be introduced.

Appropriate training modules should be developed on orientation and conduct of meeting, book-keeping, gender and equity issues, social assessments and entrepreneurial development for the benefit of SHG members.

The SHG programme is doing quite well since its implementation in the Island. All the same, the SHG respondents can be helped to further improve their performance through imparting the right kind of vocational trainings, besides diversifying into more remunerative activities with the local resource base and market demand in mind. It would also help if the government officials could assist them in this
aspect through the introduction of Information Technology and mass literacy, in addition to strengthening the market support. This would go a long way in empowering the women in the study area.

Since the requirement of credit is the most important aspect for the success of any SHG, bank’s role is very important in this process. Government may consider the establishment of specialized banks for funding of SHGs. Specialized banks will be able to look into the credit needs of the SHGs more seriously and transacting with such banks will be easy for the SHGs.

Financial literacy and credit counselling centres comprising of financial experts, bank officials and the like may be opened in every district to give suitable training to all members of the SHG in financial management.

For efficient functioning SHGs, government and the banks will have to ensure the correct utilization of loan by SHG members by putting in place an efficient surveillance system which will regularly review and evaluate the income generating activities by SHG members.

The Co-operative Marketing Societies and other agencies should come forward to help the SHG in marketing activities in searching the right consumers. Promotion and pricing are very important for SHGs and the marketing agencies should advice on these matters.

If women empowerment is to be pursued as a serious objective by the SHG programme, greater emphasis needs to be placed on training, education and creating awareness in order to achieve a larger and more lasting empowerment.

The members may be given training on managerial and leadership skills and may be motivated to present themselves in Panchayat elections and to take part in political activities.
Wherever possible, bringing in uniformity in practices need to be adopted. Standardization of practices does not mean a compromise on flexibility but on the other hand ensures adoption of good practices uniformly. Some of the areas where standard processes and systems could be developed are: tenure of office bearers, rotation of office bearers, etc.

Apart from garnering savings and providing credit, the SHGs should be encouraged to add services such as provision of personal or family insurance to the families of the members, providing insurance to the dairy and other livestock of the members, assisting members and their families in obtaining essential civic documents such as ration cards, voter cards. They can also help the members to avail Government provisions such as old-age pensions, widow and disability pensions to the members or their family members.

The government should give directions to all its departments and their extension agencies to give priority and preference to SHGs / NGOs nurturing SHGs when disseminating information and technology. The dissemination process should be designed keeping in mind the educational and aptitude level, the limited mobility of the SHG members. The departments should especially encourage any direct approaches from SHGs for guidance and information. Facilities like travel, stipend, stay, board and other necessary inputs should be provided to SHG members who approach these agencies for guidance as far as possible.

Training in legal literacy, rights and gender awareness are important complement to women empowerment. The members should be given necessary training and guidance for the successful operation of the group.
Further, SHGs need to be brought together on a larger platform. Currently, SHGs still remain as isolated units with limited interactions with other groups. Interlinking the groups can be made possible to yield benefits on various aspects including knowledge sharing, addressing issues, sharing experiences, ‘captive’ customer base for various economic activities, marketing tie-ups, procurement etc. The inter-linkage at the district level can be a first step and in the long run can also be attempted at the state level. This inter-linkage is possible through newsletters, SHG journal / magazine, organizing a SHG Day where groups get together etc.

SHG’s need to be promoted in remote and tribal areas for inclusive growth.

Government needs to take proper steps for SHGs to become a forum for dissemination of development ideas and information and an association for community mobilization.

**Scope for Further Research**

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

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

Cohesiveness and sustainability of SHG movement, as homogeneous model of microfinance in India.

SHG movement in promoting sustainable rural development.

A study of micro credit extended by public sector banks through the SHGs.
Comparison of performance and satisfaction of members of women SHGs with men SHGs.

Assess the impact of micro-credit through SHG's. The impact assessment will focus on socio-economic empowerment of members, social change, dynamics of groups, business leadership, promotion of viable micro enterprises etc.

A study on marketing strategies and financial viability of SHGs to identify the lacunae and suggest remedies.

Effectiveness of women SHGs in the promotion of micro-enterprises in Andaman and Nicobar Island