Being recognized as one of the largest democratic country and having the third largest technical and scientific manpower in the world, India has been taking initiatives to optimize its human resources for attaining the growth in its economy. Women constitute a valuable section of our population and using the full potentials of this section is a challenging task and needs a comprehensive planning and development. Women have been participating actively in all areas of production irrespective of due recognition and remuneration to their contribution. Their participation has been confined to areas demanding low skills and low wages with inadequate scope for upward mobility. Illiteracy and inadequate access to training and resources are considered as major impediments to the better status to the women. Herculean efforts are to be made to ensure that all women become literate and are able to participate in developmental activities. Women should be brought from position of traditional slave to the new status of social worker. Their sincere and dedicated works are to be directed to the betterment of society rather than to the development of their families only. In order to enable women to play a contributor role in the society, they have to be inspired, educated, mobilized and trained properly so that they can equip themselves to reach new heights in their social and economic life. Women are to be viewed as direct beneficiaries, participants and target groups and execute various programmes to attain the implied objectives of women development and women empowerment.
The resource base of the poor are very weak and the volume of their operation are very low. The credit needs of the poor arise due to their growing family size, social obligations, and to bear the complexities of inflationary conditions. In times of meeting every reasonable need, there are no credit institutions to fall back upon and they are forced to rely on credit supplied by land lords, traders and money-lenders at high rates of interest in every walks of their life. The informal money lenders are squeezing the hard earned money and tiny savings of the poor and making them never recoverable from the debt burden. The financial institutions have not yet entered adequately in to this credit market for certain reasons which are beyond their control.

A great transformation in the economic base of the poor women is attainable when they are enabled to get accessibility to financial resources and services. The ideal way out would be extension of credit at affordable rate through formal financial institutions. When a poor woman takes a loan from such institution, she would be able to retain a greater part of the residue and save substantial amounts in their economic life. Absence of these, the poor will miserably fail in meeting the needs even at reasonable level.

To combat the poverty in the rural areas, particularly among the women, the planners and the policy makers have to invariably focus on women development and women empowerment. Women should progress in all fields of education, employment, production and regard them as
agents for development. The purpose of any women-oriented programme should be to attain horizontal growth in the status of women. Women should be made empowered so that they possess capacity to direct their life towards desired social, political and economic goals or status. Through empowerment process, the women can challenge the traditional power equations and relations, participate in policy and decision making process at domestic and public levels, and come out of gender-based discrimination in all structures of the society. A woman is said to be economically empowered when she gains power as a result of increased access to economical resources. The means of achieving economic empowerment are: increase in income, access to finance, ability to make decisions regarding the utilization of money or credit, etc,. The Micro Finance concept has attracted many policy makers to empower women and alleviate poverty simultaneously. It is being followed in many countries, including India, since last two decades. Micro Finance refers to provision of thrift, credit and other financial services and products of very small amounts to the poor in rural and semi-urban areas for enabling them to raise their income levels and improve living standards. It refers to the entire range of financial and non-financial services, including skill up gradation and entrepreneurship development, rendered to the poor for enabling them to overcome poverty.

The planners have made all-round development of women as one of the focal points of planning process in our country. Various women development programmes were initiated in almost each and every Five
Year Plan. Establishment of Central Social Boards, organization of Mahila Mandals, launching of Community Development Programmes, imparting training for skill upgradation, protection and development of women and children, launching of relief and rehabilitation for women, implementation of health, nutrition and education programmes, etc., were the initiatives made by the government during various previous Five Year Plans period, starting from 1951 to till date. Due to social, religious and cultural problems or ethnic traditions, women development has become a distant mirage and more over oppression of women is a common phenomenon that is seen everywhere. The basic issue that prevents women from playing full participatory role in nation building is the lack of economic independence. Planners and policy makers have searched for certain alternatives and identified that the Self-Help Group Programmes will pave the way for women development and women empowerment.

PRESENT STUDY

The present study deals with economic empowerment of women through self-help groups in drought prone district of Anantapur in Andhra Pradesh. The Government of Andhra Pradesh has taken up women's empowerment as one of the main agenda items to tackle poverty through SHG mechanism. It has drawn up a long term action plan for women's empowerment through SHG programmes focusing on organizing women in different groups to undertake certain productive activities to earn their livelihood and develop themselves in all walks of life. Gone are the days
the women had accepted their poverty and miseries as due to divine fate or destiny and had little hope for improving their lot in life. The Government is now looking at initiating more and more credit programmes and schemes with an integrated approach for economic development of women, leaving the welfare approach as traditional and fragmented one. SHG movement has been taken up as a mass movement in the state of Andhra Pradesh and SHGs are considered as the most significant tools to adopt a participatory approach for the economic development. To promote savings and gainful employment and to create a forum to support each other, women required to participate in SHG Programmes. Women should unite themselves into social groups called self help groups for their own progress as well as that of the community.

REVIEW OF LITERATURE

The researcher has been able to tap some of the significant works and their focus relevant to the present study. It is found that several researchers made study on several areas of women development. They focused on: poverty alleviation, women employment programmes, innovative training and sensitization programmes, leadership aspects, the role of financial institutions in women development, literacy, health and education programmes, DWCRA groups, welfare schemes, marketing of SHG products, functioning of Women Dairy Co-operative Societies, SHGs and NGOs, etc.
NEED FOR THE STUDY

A good number of studies have attempted to unveil the status of women, the usefulness of welfare schemes, and the institutional arrangements for women welfare and development. Many studies focused on relevant aspects which have considerable bearing on women development. Some studies are historical in nature and some others concentrated more on women development and social empowerment. In spite of sincere efforts made by many researchers in probing the different aspects, still some areas are inviting elaborative research. Now it is recognized that economic empowerment of women gains top priority, particularly of women in drought-prone rural areas like Anantapur district. It is felt that the present study is more relevant in the background of increasing support for women empowerment across the globe and the proponents of women empowerment concept view that SHGs are the significant tools to achieve the implied objectives of women empowerment.

OBJECTIVES OF THE STUDY

The principal objectives of the study are: to study the progress of SHGs in India and Andhra Pradesh, to examine the performance and progress of micro finance schemes in Andhra Pradesh, to study the progress of SHG-Bank Linkage Programme, to examine the progress of Interest Subsidy Scheme, to study the impact of SHG-Bank Linkage Programme on socio-economic status of SHG members in Anantapur.
District, and to find out the problems and challenges before SHGs and to suggest the remedies to strengthen the SHGs.

METHODOLOGY

Both the primary and secondary sources of data were used in this study. The study covers a period of twelve years i.e from 1998-99 to 2009-10. The secondary data were collected from the reports, records and annual action plans maintained by the Mandal Development offices, Banks and DRDA office. The studies carried by individuals and organizations, articles in journals edited books, were also used as secondary sources. The primary data are mainly collected from SHG members, the executives and the operatives at the grass root level. The collected information has been analyzed by using the simple statistical tools. The study area was confined to Anantapur District of Andhra Pradesh. By using a structured questionnaire, the opinion survey has been conducted by consulting 300 respondents mainly comprising of the members of SHGs which are effective.

CHAPTERISATION

The study is presented in eight chapters. Chapter One outlines women development, financial requirements of rural poor women, Five Year Plans and women development programmes, present study, review of literature, need for the study, objectives, methodology and chapterisation. Chapter Two focuses on women empowerment concept, government initiatives and strategies, the concept of SHG, and the
Chapter Three focuses attention on describing the concepts of women empowerment and Self Help Groups and the government initiative for attaining the objective of women empowerment. Empowerment is the process by which those who have been denied the ability to make strategic life choices acquire such ability. Women's empowerment is a process whereby women become able to organize themselves to increase their own self reliance, to assert their independent right to make choices, and to control resources which will assist them in challenging and eliminating their own subordination. It is a process where women are able to change from a state of powerlessness (I cannot) to a state of collective self confidence (we can). The government had initiated several initiatives, designed appropriate strategies, and implemented several welfare and development
schemes for women development and women empowerment. Several entities, like UNO, UNICEF, the Planning Commission, were also instrumental in formulating women-oriented policies. The NABARD, RBI, Regional Rural Banks and Commercial Banks have also played their due role in fortifying the concept of women empowerment. The government had established several institutions like National Commission for Women, Rashtriya Mahila Kosh, set up National Creche Fund, launched projects like Indira Mahila Yojana, Balika Samriddhi Yojana and Rural Women's Development and Empowerment, etc., Since 2001, the national policies were included with women empowerment components and programmes. All the ministries and departments of the Government of India were directed to draw up women component plans and allocate the resources to implement them in an integrated manner. Many strategies, for women employment and economic independence, education, health care and family planning, creation of legal and institutional environment, were adopted by the government. A special task force was also created to plan and execute women empowerment programmes. Among the strategies which included in the national policy, SHG strategy was considered as the most feasible strategy or approach for women empowerment. It was determined as an appropriate strategy to articulate the needs of the rural poor women.

Self Help Groups are the small groups which are formed by the women who come together to solve their common problems through self-help and mutual help. The group consist the members who do not have
access to financial institutions. The members, as a group, save small amount of money on regular basis and keep the money in the bank. From the savings, each member can take loan and pay interest at lower rates and repay the loan in installments. The group will create a corpus fund with the savings, interest and penalty amounts. The banks will also extend loans to such groups which are effective in savings and repayments. By using the loan, the members carry the economic activities and generate margins. These small loans and savings help the poor to improve their financial status and thereby improving their social status also.

EVOLUTION OF SELF-HELP GROUPS

The beginning to this SHG concept was made when the NABARD sponsored a research project on savings and credit management of SHGs started by NGOs in 1986-87. The NABARD also undertook a survey in eleven states in the country on the possibilities of linking SHGs to the banks for the mobilization of savings and delivery of credit to the poor. Encouraged by the results of the survey, the NABARD in consultations with the RBI and commercial banks, launched the pilot project of linking SHGs with the commercial banks in 1991-92. The RBI had advised the commercial banks to extend finance to SHGs issued guidelines. Subsequently, the linkage project was extended to RRBs and co-operative banks. Since then, the SHGs were formed in large number across the country. Apart from SHG-Bank Linkage programme, the SHGs were also formed under various schemes like Swayam Siddha, Rashtriya Mahila
Kosh, Indira Awas Yojana, National Social Assistance Programme, DWCRA, SGSY and Jawahar Rojgar Yojana. All these programmes focus on alleviation of poverty and generation of self-employment for women by organizing women into SHGs and providing them the skills and training to manage micro-credit. Andhra Pradesh is one of the states successfully implementing the SHG models for developing women community.

Chapter Three deals with the formation, functioning mechanism, fund management, and capacity building of SHGs. The SHG philosophy aims at bringing the excluded and neglected women in to mainstream of economic development through saving-investment-employment and income generation strategy. The objectives of SHG are multifaceted and multilevel and mainly to bring out all-round sustainable development among the poor women. They are oriented with the intentions like poverty eradication, self employment, leadership development, encouraging savings and banking activity, building a network of credit groups, providing access to institutional credit facilities, creation of awareness on education, health care, and family welfare programmes, creating a forum to support each other, among the poor women.

In Andhra Pradesh, the Ministry of Rural Development is responsible for planning, implementation, monitoring and evaluation of the SHG Programmes. The government had established a comprehensive network of administration and committees at different levels. At state level, a committee is set up with a governing body consisting of the Chief
Secretary of the government as the chairman and the heads of various departments along with the representatives of RBI, NABARD as members. The district level SGSY Committee, consisting of the District Collector as chairman and the Project Director, DRDA, concerned heads of district level line departments, lead bank officer, representatives of NABARD and RBI as members, will monitor the programme throughout the district. The SGSY Committee at mandal level, consisting of project Director-DRDA as chairman, MDO as convener and bank branch managers, mandal level sub-divisional officers, NGO representatives as members, will execute the SHG programmes. In addition to these, the Mandal Samakhyas, Village Organisations and various co-ordination committees are taking part in administrating the activities.

The government had formulated various guidelines and principles comprehensively for all the matters relating to formation of SHGs, discharge of functions, fixing responsibilities, capacity building, fund management, leadership responsibilities, conduct of group meetings and record keeping instructions. Every SHG shall follow these principles and directions as these pave the way for effectiveness in administering its activities. All the SHGs have to follow this uniform and organized mechanism. There is a clear expression of roles and responsibilities of every individual and executive connected to SHG programme. It is find that a well built mechanism is laid down for every matter relating to SHGs.
Chapter Four deals with the description of growth of SHGs and the progress of SHG-Bank linkage programme in India. For the eradication of the rural poverty, the planners felt the need for self employment and wage employment programmes. The government had implemented the programmes like RWP, IDLAD, IRDP, TRYSEM, DWCRA and SITRA during various plan periods. However all these programmes are concerned with the achievement of individual programme targets rather than focusing on the substantive issue of sustainable income generation. In order to rectify the deviation, the Government of India has introduced the SGSY scheme and paved the way for starting SHGs in several states. The SHG programme is meant for ensuring accessibility to financial services offered by the banks and financial institutions. The SHGs in India have come a long way since their beginning in 1992. The support provided by various agencies, institutions and NGOs have made a rapid stride in number of SHGS in the country. Though the formal financial sector is very vast and addressing the needs of many sectors, it is not allowing the rural poor women to approach it for credit and services. The rural poor are made to depend more on informal money lenders and land lords. Thus began search for alternatives and emergence of SHG concept was the result of those attempts. Now the commercial banks, regional rural banks and co-operative banks are rightly involved in extending financial services to the SHGs through SHG-Bank linkage programme. The SHG-Bank linkage programme is a revolution in the rural credit delivery system.
Some of the important conclusions arrived in the chapter are the following:

- The SHGs formed in the year 1992-93 were just 255 (throughout the country) in number and due to marginal increase in number year by year, it reached to a figure of 61,69,025 SHGs by the end of 2009-10. A sizable addition was made in the year 1997-98. The cumulative figure has crossed a one lakh mark in the year 1999-2000, ten lakh mark in the year 2003-04 and fifty lakh mark in the year 2008-09.

- While examining the spread of SHGs, it is observed that the SHGs are more, both in number and percentage, in the Southern Region. The Southern Region consisting of the states like Andhra Pradesh, Karnataka, Kerala, Tamilnadu and Pondichery. About 60.00 percent of total SHGs of India are functioning in this region. The SHGs formed and linked to the banks are more in Andhra Pradesh, Tamilnadu, Karnataka, West Bengal and Maharashtra in order and these states are considered as top five priority states in implementation of SHG- Bank linkage programme in India.

- About 50.00 to 53.00 percent of total SHGs are linked to the Commercial Banks, about 32.00 to 38.00 percent of SHGs are linked to Regional Rural Banks, and about 9.00 to 14.00 percent of SHGs are linked to Co-operative Banks in different years during the study period. The details of credit disbursed by the banks are
indicating that Commercial Banks are the major sources of credit to the SHGs in India.

- The banks have extended a loan of Rs. 29 lakhs to 255 SHGs in 1992-93. Thereafter this amount reached to Rs. 57.07 crores by the end of 1998-99. Afterwards, the loan amount was increased heavily by the banks and the increase was in thousands of crores. The cumulative figure shows that about Rs. 43967.97 crores loan was extended to 6169025 SHGs in India by the end of the year 2009-10.

- There is a substantial increase in number of SHGs, banks' loan to the SHGs and the NABARD's refinance to the banks during the study period. The cumulative figure of NABARD's refinance to the banks and the cumulative figure of loan extended by the banks to the SHGs are almost the same up to the year 1998-99. Thereafter the cumulative figure of NABARD's refinance to banks stood next to the figures of banks' loan to the SHGs.

Chapter Five dealt with the description of micro finance through SHGs in India and Andhra Pradesh. To achieve socio-economic objectives and making formal banking sector accessible to poor people, the Government of India had nationalized the commercial banks in 1969 and 1980. In the same direction, the Regional rural Banks were established in 1975 aiming at covering poorest of the poor in rural areas. It was made mandatory to all the nationalized banks, co-operative banks and RRBs to supply credit to priority sector. In spite of all these, a large population
remained out of the fold of the banking and living in poverty till date. Micro finance has emerged as an important sector in many countries for providing financial services such as savings, credit, insurance and remittance services to the poor. In India, a range of institutions in the public sector as well as private sector, offers micro finance services. The micro finance service providers include the apex institutions like NABARD, SIDBI and RMK at the top level and the commercial banks, co-operative banks and RRBs at retail level. The micro finance institutions in India can be divided into four categories if organizational forms Viz., NGO-MFIs, Non-profit section 25 non-banking financial institutions, co-operative MFIs and for profit non-banking financial companies.

Micro finance services in India are provided mainly by two different models viz., SHG-Bank linkage model and MFI-Bank model. The SHG-Bank linkage model has been emerged as the more dominant model due its adoption by formal financial institutions. The MFI-Bank model too is gaining importance due to the massive support it gets from banks, especially new generation banks in the private sector and foreign funding agencies. Within the SHG model, different approaches may be followed. Some of the important approaches are: (i) Banks deal directly with the SHGs, providing financial assistance for lending to individual members,(ii) banks give direct assistance to the SHGs while the NGO provides training and guidance to the SHGs for effective functioning, and (iii) banks give loans directly to individual SHG members on recommendations of the SHG and the NGO.
The NABARD has been playing the role of propagator and facilitator by providing conducive policy environment, training and capacity building besides extending financial support for the healthy growth of the SHG-Bank linkage programme in the country. The various promotional steps taken by it are: introduction of pilot project in 1992, introduction of bulk lending scheme in 1993, policy formulation, relaxation of collateral norms, launching training and awareness programmes, mainstreaming the SHG-Bank linkage programme as part of corporate planning, encouraging banks, RRBs for promotion of SHGs, constitution of a high powered task force, setting up of Micro Finance Development and Equity Fund, initiating the credit ratings of MFIs, close monitoring and dissemination through seminars workshops and media., etc. The NABARD has been working as a catalyst in linking more and more SHGs to the banking system. It has been providing refinance to banks and the banks are extending loans to the SHGs at the rates stipulated from time to time.

By reviewing the savings made by the SHGs with the banks and the progress of SHGs in Andhra Pradesh, some of the conclusions were drawn from this chapter. They are the following:

- There is a continuous increase in number of SHGs linked to all categories of banks during the study period. A proportion of 58.30% of total SHGs were linked to commercial banks, a 26.20% of SHGs linked to the RRBs and a 15.50% of SHGs are linked to the co-operative banks, throughout the country.
• In the country, the Southern Region stands first in number of SHGs linked and the Eastern Region stands second in comparison and Western and Central regions are in third and fourth positions. Almost the same order is observed in case of the savings also. The proportion of number of SHGs and the proportion of SHG savings are comparatively high in Southern Region. The quantities of savings are high in the years 2008-09 and 2009-10 during the study period. About 55.00% of the savings are made with the commercial banks and 28.00% savings with RRBs and the remaining 13.00% with the co-operative banks, on average, during the study period.

• The commercial banks have extended about 65.00% of the total loans availed by SHGs, about 25.00% loans by the RRBs and about 10.00% by the co-operative banks, indicating that the commercial banks are the major source for getting loans by a large proportion of SHGs in India.

• In Andhra Pradesh, out of 22 districts, a high number of SHGs were formed in the districts of East Godavari, West Godavari, Guntur, Krishna and Anantapur, in order. However, the percentage of achievement was very high in the cases of SHGs formed in the districts of Nellore, Warangal, Medak, Kadapa and Chittor, in order.

• It is observed that the authorities did not attain the target of forming SHGs in the districts in the year 2009-10. Though the target was fixed above the actuals of the year 2008-09, the level of achievement in 2009-10 was below the figures of 2008-09 in all the districts in the state.
It is also observed that the financial assistance extended to the SHGs was not at the targeted level but extended equivalent to 60.23% of target financial assistance in 2008-09 and 70.59% in 2009-10. It states that the financial assistance was extended under target level even in the years having the momentum of giving high significance attention on SHG movement.

- The percentage of achievement in extending financial assistance was high in the cases of Krishna, West Godavari, Chittoor, Guntur and Vijayanagaram districts, in order. It conveys that the percentage of achievement in extending financial assistance was very high in comparatively rich districts and low in draught-prone and backward districts.

- The NABARD has also made a significant contribution as it provided refinance to banks about Rs. 6138.18 crore by the end of the year 2009-10. Though it contributed small amounts in the beginning, started extending huge loans from 2003-04 onwards and contributed huge amounts in the years 2007-08 and 2008-09.

- While assessing the loan amount granted to different social groups, about 66.42% of the total loans were granted to the SHGs belonging to the Backward Classes women and 23.36% of total loans granted to the SHGs belonging to Scheduled Castes. About 6.43% and 3.79% of total loans were granted to the SHGs belonging to Scheduled Tribes women.
and women belonging to Other Castes. This indicates that the SHGs represented by Backward Castes women have a high stake.

Chapter Six dealt with presentation of profile of the Anantapur District (the unique features of the study region), year-wise distribution of SHGs in Anantapur district, receipt and expenditure of SERP and SESHG funds, credit mobilization through SHG-Bank Linkage programme, the progress of Indira Kranthi Patham scheme, financial status of SHGs and credit extended by different banks. It is presented that the Anantapur district possesses some unique features. This district has an extensive dry area and hence the agricultural conditions are often precarious and witnesses drought conditions throughout the year. Because of lowest rainfall, forest coverage, mineral resources and employment prospects, the people living in this study area are continuously facing unemployment problem. They are dragging their life with scantiness in all aspects and their survival is at stake. The rural labour always busy in search of finding the ways to come out of the precarious conditions and to improve their economic status. Because of all precarious conditions, the planners are bound to pay their attention on Anantapur district whenever they initiate any programme or scheme to implement in rural backward areas to attain the implied objectives of rural development, women development and poverty eradication. In order to have a desired change and to have transformation in the socio-economic life of the rural poor, the Government of Andhra Pradesh had implemented various wage employment and self-employment schemes. To enable women to have access and control over
various factors necessary for their economic independence, the government had started self-help groups programme in the year 1987-88 under DWCRA name in the district. The SHGs were formed and financed under various schemes like IRDP, DWCRA, SESHG, IKP and SHG-Bank Linkage programmes. Though there is difference in nomenclatures followed in different periods, the government has been widely propagating and implementing the concept of SHG.

By reviewing the chapter contents, some of the conclusions arrived at are the following:

- For the first time about 100 SHGs were formed in the year 1987-88 under the scheme DWCRA and the group members were 1817 in number and the government could extend a revolving fund of Rs.15.20 lakhs to the SHGs (DWCRA groups). The progress was sluggish as there was no substantial increase in number of groups till 1998-99. It is only after 1998-99, the cumulative figures of number of SHGs and the revolving fund granted were seen increasing by many folds. The number of groups formed under DWCRA, IRDP and SESHG during the period 1987-88 to 2009-10 were about 30790 with 385405 members and the government could extend financial assistance in the form of revolving fund about Rs.3519.25 lakhs. A large number of SHGs were formed under the SESHG since 1999-2000.
The SHGs formed under the SESHG scheme are high in Kalyandurg, Gooty, Madakasira, Mudigubba, Gorantla and Tadimarri mandals of the district and the amount released under the matching grant was also high in these mandals. The Kalyandurg mandal was placed first in seven out of ten years and Gooty mandal stood second in the order. In many years of the study period, the matching grant released per group on average was Rs. 10000 and the highest amount of matching grant was released in the year 2003-04.

About Rs. 13541 lakhs were received by the SHGs as SERP funds and a major portion was received in the years 2003-04 and 2004-05 and the maximum incrementalities to the total funds were made from 2003-04 onwards and the trend went up to 2006-07. The SERP were made available to implement poverty elimination projects by involving SHGs.

From these SERP funds, the major amounts were spent under the heads Community Investment Fund (CIF) followed by Institution and Human Capacity Building (IHC B) and Project management (PM). Under the CIF, the activities like extension of micro credit to SHGs, designing programmes for improving the quality of life of the poor, dairy development, health development programmes, etc., About 62.00% of the funds were expended under CIF, 31.49% funds under IHC B and the remaining under the head Project Management.
• The NABARD proposed the Commercial Banks, Cooperative banks and RRBs to lend directly to the rural poor by creating SHG and Bank linkage. The SHGs were linked with the banks for external credit and the SHGs were granted credit equivalent to four times of their total savings and group corpus. The groups rotated the entire amount among the needy members to carry economic activities and enhance their economic status. Using an instrument called Critical Rating Index, the SHGs were extended by further loans and subsidies. About 144468 SHGs were linked during the study period and a high number of SHGs were linked and highest amount of credit mobilization was made in the years 2007-08, 2008-09 and 2009-10.

• The average per group finance made available was meager up to 2007-08 and shown increasing trend after 2002-03 but the figures shown were high in the years 2009-10, 2007-08, 2008-09 and 2006-07 in order. On average, the per group finance provided was Rs.83000. In credit mobilization, the SHGs in Uravakonda, Kalyandurg, Anantapur, Madakasira and Gooty mandals though they differ in number of SHGs formed. A poor progress is witnessed in credit mobilization by the SHGs in Nallamada, Peddapappur, Nallachervu, Rayadurg and Rolla mandals. Since the beginning of SHG-Bank linkage programme, an amount of RS.120606.78 lakh credit was mobilized by all the SHGs in the district.
• The activities of DWCRA and Velugu were integrated under a programme called Indira Kranthi Patham (IKP) which was designed by clubbing women empowerment and poverty alleviation concepts. Through concerted efforts at social mobilization, a total of 6.88 lakh SHGs with a membership of 87 lakh women have been formed in 22 rural districts under the IKP programme. It is the single largest grass-roots level empowerment programme for women in the state.

• The state government had introduced Pavala Vaddi (Interest subsidy) scheme in the year 2004-05 with an objective to provide interest subsidy on the bank loans taken by the SHGs. The government reimburses any excess interest paid by the SHGs over and above the 3.00 percent of the loan. The interest incentive was paid once in six months to all the SHGs that have a track record of repaying on time. The total number of SHGs covered under this scheme were 149,809 and the total amounts released were Rs. 3,235.80 lakhs and a major proportion of these funds (about 87.48%) were released in the years 2007-08, 2008-09 and 2009-10 of the study period.

• The SHGs in Uravakonda, Kalyandurg, Gorantla, Tadipatri, and Roddam mandals were granted relatively more funds under Pavala Vaddi scheme. The SHGs in Peddpappur, Rolla, Gudibanda, Settur, Yellanur, Amarapuram, Kanaganapalli, Lepakshi and Kundurpi mandals were granted the lowest funds. Comparatively, the SHGs
were less in number in these mandals but a wide variation was observed in granting of funds.

- A total corpus of Rs.16034.77 lakhs was generated by all 51361 SHGs in 63 mandals of the district throughout the study period. The SHGs in Hindupur, Madakasira, Bukkaraya Samudram and Kalyandurgam mandals could generate a larger amounts of corpus and stands top on the list though they are next to the SHGs of Uravakonda and Anantapur mandals in number.

- The banks have extended loans to the SHGs to repay their outstanding loans under the Total Financial Inclusion(TFI) scheme. The banks were facilitated to lend atleast Rs.5.00 lakhs per SHG under TFI scheme. The State Bank of India, the Syndicate Bank and the Andhra Pragathi Grameena Bank were extended comparatively larger amount of loans under TFI scheme. The same banks were also topped in extending Bridge Loans to the SHG members and allowed them to be qualified to get housing loans under Indiramma Housing programme.

- The loan obtained under SHG-Bank linkage was the major source of credit to a large number of SHGs and the loan under TFI was the next best source of credit for the SHGs working in the district.
Chapter Seven presents the details of survey and findings of the survey carried by the researcher. The primary data have been collected from the select SHG members by using the interview schedule and the same is used to assess the impact of SHG-Bank linkage programme on the socio-economic development of SHG members in Anantapur district. To conduct a survey, the researcher had visited some selected villages where SHGs are effective and gathered information on various aspects presented in twenty eight statements. The details of primary data collected from the survey have been presented in eight sections, Section A to H, and the relevant conclusions were drawn. Section A presents the details of present status and categorization of SHGs in Anantapur district. Section B deals with the provision of basic information about social, educational and marital status of the respondents. Section C provides the basic information about occupational, residential and income status of respondents. Section D deals with the saving pattern followed by the SHG members. It enables to understand how often the SHG members save the money, how much amount they save per month and what total amount they saved since their joining in the group. Section E deals with presentation of details of loan management followed by the respondents. It facilitates understanding of the sources of loan, quantity of loan amount obtained from the group corpus, purpose of raising the loan and the repayment burden of the SHG members. Section F deals with the participation of members in the management of group activities and the decision making process. This section enables to understand the level participation in management
activities and the decision making process. Section G deals with the description of training details of SHG members. Section H deals with the description of impact of SHG-Bank linkage programme on the socio-economic development of SHG members in Anantapur district.

Some of the conclusions drawn from the survey data collected by the researcher are the following:

- As per the details of social categorization of SHGs in Anantapur district, it is observed that the SHGs formed and run by the Backward Castes women (BC) constitute about 60.79% of the total SHGs, about 14.38% SHGs belong to Scheduled Castes (SC), about 3.73% SHGs belongs to Scheduled Tribe (ST) and the remaining 21.10% SHGs belongs to Other Castes (OC).

- The economic categorization reveals that the poor women representing about 69.51% of the SHG population, poorest of the poor women about 24.04% and the remaining portion represented by the women who are above poverty line and non-poor.

- A majority of the SHG members are having the status of either illiterates or education at low level as the respondents who are illiterate are comprising about 51.00%, the respondents who have primary education status are about 30.67%, the respondents who have high school education status are about 11.33% and the remaining 7.00% is represented by the women who have college education status.
• About the marital status, a major portion i.e. about 73.33% of the total sample is represented by the married women, about 13.67% represented by widowed women, about 5.00% represented by unmarried female members and about 8.00% is represented by the divorced women.

• About the age composition of SHG members, a major portion of the sample i.e. about 43.33% is represented by the women who have the age between 36 and 50 years, about 33.33% is represented by the women categorized in the range between 26 and 35 years and about 17.67% of the sample are having the age of more than 51 years.

• With regard to occupational status, it is observed that about 66.33% of the sample was considered as agricultural labour as their occupational status, about 4.67% as industrial labour, about 8.00% as rural artisans’ status and about 21.00% as petty business women with seasonal and temporary jobs.

• With regard to residential status, it is observed that about 64.00% of the sample SHG population is residing in their own houses (constructed by them only), about 22.00% of the population is residing in the rented houses, about 10.00% of the population is residing in the houses constructed under government housing scheme and the remaining 4.00% of the population is residing in the houses constructed by the NGOs.
• With regard to income status, it is observed that about 37.33% of the total women SHG members are having the annual income (per member) of less than Rs.10000 and about 44.67% members are having the annual income between Rs.10001 and Rs. 30000. About 16.67% of the women are having the annual income between Rs.30001 and Rs. 50000. It indicates that a majority of the SHG members are having the annual income of less than Rs.30000 individually.

• With regard to saving pattern followed by the SHG members, about 66.67% of the members are making savings between Rs.100 and Rs.600 per month, about 27.00% of the women are saving between Rs.601 and Rs.1200, about 5.33% of the women are saving more than Rs.1800 per month. The women, representing 72.67% of the sample, are following the savings on monthly basis, and about 27.33% of the sample population could follow the savings on weekly basis.

• About 53.33% of the women could save a total amount of Rs.10000 since their joining in the group, about 40.67% of the women could save an amount between Rs.10001 and Rs. 20000. The women who could have a total savings between Rs.20001 and Rs.30000 are representing as 3.33% and those who have a total savings of more than Rs.30000 are representing as 2.67% of the sample SHG population.
• It is observed that a major portion of the SHG members: have obtained loans from the commercial and cooperative banks, could get a loan up to Rs. 25000, could raise loan to meet the agriculture input expenditure, expenditure on purchase of cows and buffaloes, expenditure on running petty businesses like vegetable selling, way-side hotels and tailoring business, and for rearing sheep. The members who raised the loans for meeting their family expenditure and for repaying earlier loans are also in significant number. It indicates that a majority of the SHG members have raised the loan to carry productive and income generating activities.

• With regard to participation of members in the group activities, about 93.33% of the women are active and only 6.67% members are inactive and are restricted themselves to attending important meetings and programmes only. About 61.67% of the members are aware of accounts and financial transactions made by the group and 38.33% of the members are not having the awareness on the same. About 67.67% of the members are having the attendance at the rate between 75.00% and 100.00% and 20.00% of the members could put up the attendance between51.00% and 75.00%. About 76.67% of the members have a opinion that they were involved in decision making process and about 23.33% of the members have a opinion that they were not. It indicates that a majority of the members are having awareness on group’s accounts and are participating in deciding the things. Though the members of other kind are less in
number, they are representing a significant proportion and needs correction of this unwanted gap for increasing the effectiveness of the group management.

- About 50.67% of the members were given training in two times on organizing the meetings, book keeping, loan installments, repayment details, group programmes, government schemes and the benefits to members, group corpus, penalties, and recovering outstanding loans. The members who were given training in four times are about 14.33%. A majority of the members were given training on savings, interest and mobilizing group corpus related aspects and the major sources were the IKP staff, Animators and group leaders.

- While assessing the social development of SHG members, it is observed that a majority of the members have attained a status that they were motivated and they are also motivating other women to participate in the government health programmes and other community development programmes relating to propagating for child care, family planning, breast feeding and sanitation. They have also supported the government staff in identifying the BPL families to initiate the implementation of welfare and poverty alleviation programmes. They have obtained a status that they are non-dependant on male family members and developed a spirit to fight against the unwanted and destructive prevalent activities. The
majority of the SHG members have understood the concepts of self-help, mutual help and group spirit positively by joining the SHG.

- The SHG-Bank linkage programme has brought a positive change and made the majority members to: inculcate the habit of making savings for their better future economic life, discontinue their dependence on money lenders, improve their status of contributing their savings/ income to the family income, create employment themselves, improve accessibility to financial assistance from the banks, improve the status of repaying the earlier loans taken from the money lenders without much difficulties, and improve the decision making capabilities regarding loan management.

- It is observed that the majority SHG members have a perception that the SHG savings have increased their credit worthiness in the eyes of bankers, relatives and money lenders so that they find more convenience to get small loans fairly and easily from other societal members to meet short-term obligations. They attributed this status to their SHG membership.

- With regard to practical problems faced by the SHG members, a majority of the SHG members have a perception that they have been facing the problems due to: lack of knowledge in record keeping and preparing the accounts without support of others, extension of insufficient loans by the banks, inadequate training to group leaders and fellow members, inadequate corpus to extend
loans to all the members, insufficient quantity of loans to augment economic activities at considerable income generating level, long waiting before the banks for obtaining smaller loans and inordinate delay in getting interest subsidy from the government agencies.

- It is observed that the majority SHG members find no problem in: conducting the group meetings, mobilizing the initial savings, recovering the loans and repayment of loans, following the repayment schedule of shorter duration, participating in the social relevant activities, managing the group activities and obtaining further loans and investing them to develop their activities.

**SUGGESTIONS**

The SHG is a viable alternative to achieve the objectives of women development and women empowerment. Micro credit was provided to rural women for making them as enterprising women and build confidence in them to stand on their own feet. There are several government departments, organizations, agencies and women forums which are involved in leading the rural women towards right direction of women empowerment. The government has to play a key role with more responsibilities to strengthen the functioning of SHGs and mobilize more financial resources to lend in the form of loans to the vast number of SHGs. As a result of the present study, it is felt that a further improvement is to be made in the functioning of SHGs. The researcher ought to give some useful suggestions. The suggestions are as follows:
• As self-help micro credit schemes are regarded as the effective instruments to reach the poor, measures must be taken to ensure that the deserved poor are not excluded due to any social and political reasons. The SHG-Bank linkage approach will be an effective instrument if the poor can get access to hassle-free formal credit without any collateral security and hard conditions. The beneficiaries should be selected from poor families irrespective of caste, religion and language etc.,

• Before giving any financial assistance, the SHGs should be assessed comprehensively for their: maturity, continuity of functioning, income generating status, economic independence, future plans of the group, achievements made, commitment to social causes, regularity and punctuality in savings and culture of the group. Based on the results of the evaluation, the deserved loans must be granted the SHGs.

• Determining the deserved women and extending adequate financial assistance yields better results rather than including SHG members every time the government implement the new scheme and extends small amount of financial assistance under different schemes. Required efforts are to be made in this direction to curb duplication in extending financial assistance.

• The real idea of micro-finance is to increase the income poor women. It is based on the notion that with small scale loans and
access to financial services, the poor can help themselves to
generate income by creating or expanding small business. But in
practice, the loans granted to SHG members are inadequate to
initiate and run any small business at considerable income
generating level even under the inflationary conditions.

- Now the bankers are allowed to extend loan up to Rs. 5.00 lakhs per
group under Total Financial Inclusion (TFI). This amount has to be
increased to Rs. 20.00 lakhs so that every member can get a loan
about Rs. 2.00 lakhs and initiate the business at considerable level.
The banks should lend adequate fund with soft terms like low
interest rate, repayment period, sanction of loan without much
delay, etc. The SHG members should be relieved from the pain
emerging from cumbersome practices followed in ranting loan.

- The government has to establish a separate bank for the SHGs with
sufficient corpus/fund at district level and loan melas are to be
organized in a planned manner so that the SHG members can get
better access to financial services offered by that bank.

- The government agencies have to release the interest subsidy
amounts promptly without any delay so that the members can plan
their financial commitments correctly and meet their short term
obligations in time. This also leads to development of better
repayment practices.
• Record keeping has emerged as a very week aspect of SHG functioning. Savings have been hijacked in many cases by the dominant group members and authorities at operational level. The conflicts are arising between SHG leadership and the members mainly because of this reason. This is leading even to the winding up of activities in the cases of some SHGs. Hence proper accounting knowledge is to be imparted to at least five women members so that they can make a proper check on the accounts of their SHG. Excess dependence on office bearers or NGO worker who are unfair and corrupt to be curbed and every member should made clear about their responsibilities and duties within the group and the training should be given in this direction.

• The biggest concern is that the groups and group members are more conscious of savings, credit and the repayment of credit and almost all meetings are being conducted by including these as main agenda, leaving little discussion about social relevant activities. It is essential to guide the members towards social relevant activities as social development is also imminent along with economic development.

• The potential of women at present is not fully tapped and utilized for community. Authorities ought to focus their attention to develop such a plan which is both pragmatic and comprehensive to educate SHG members. If they are properly educated, trained and encouraged to
participate, they have a positive role in social welfare activities, health care, education, employment, politics for their economic progress. As the most of the SHG members are illiterates and people from BPL families, the authorities of the DRDA or any implementing agency shall provide effective and efficient training on team building, personality development aspects, positive manners, ethics, adoptability to improve human relations, sense of responsibility and attitude to save and grow.

- The government should formulate a comprehensive legal frame work for SHG and make them independent of political policies/agenda of any party which ever comes into power. Adopting changes very frequently in the programme patterns, policies, nomenclatures, bases for measuring SHG performance, etc., would hamper the progress of SHG scheme. Whichever comes to the power, that party should carry the programme intact with all spirit in case of SHG scheme.

- There must be an effective monitoring cell at mandal level to supervise the activities of SHGs which are manageable in number. This cell should look into the affairs of various groups, without interfering adversely, and help the members in call of any trouble. It must be capable of handling so many illiterate women. The cell has to ensure the supply of Key planning information to the planners and policy makers. The key planning information can be generated by
searching for answers to the questions like: Does the self-help members really have the spirit to carry the economic activity and grow? Are they heading towards right direction of women empowerment? Are our formal lending institutions capable of handling so many illiterate women? Do we have the financial resources to lend loans to the vast number of SHGs? Are the loans given to SHGs sufficient to start an income generating activity on their own? What are the operational problems which are likely to arise when SHGs start micro enterprises? In which area or aspects the SHG members require training? The answers to these questions/ problems must be found out for formulating plans and policies to achieve the implied objectives of SHGs.