Chapter – 6

SUMMARY, CONCLUSIONS, FINDINGS AND SUGGESTIONS
SHG movement was initially launched as a pilot project in 50 selected districts in 1982 with United Nations Children's Emergency Fund (UNICEF) cooperation to strengthen the women participation in poverty alleviation programmes. It was started as a sub-scheme of Integrated Rural Development Programme (IRDP). It was introduced by the Department of Rural Development, Ministry of Agriculture, Government of India. During the Seventh Five-Year Plan, it covered 162 districts initially and is being extended, in a phased manner, to all districts in a country during the Eighth Five-Year Plan period.

The need for a special programme designed exclusively for women was felt as it was noticed that women members of IRDP were not availing the benefits of that programme. It is further observed that women belonging to identified rural families can become members of this programme and also avail of subsidy and credit under IRDP subject to overall subsidy ceilings for various social categories of beneficiaries laid down in IRDP guidelines.

The objective of the programme is to serve the income levels of women belonging to poor households so as to enable their organized participation in social development towards economic self-reliance. The focus was laid on the women members of IRDP families to increase their income earning sources and to provide supporting services for income generating activities (backward and forward linkages etc.) and
linkages with other social development programmes like health, education, nutrition sanitation etc.

It is important that people from poor households are made aware and made to recognize the significance of collective efforts in solving problems which seemed to be impossible with individual efforts, by voluntarily deciding to put their efforts together to help increase their access to financial facilities, economic services and human resources development aspects like technology, training in skill development and enterprise management, material support & marketing facilities, etc., besides a host of other social services.

Strong savings and credit groups owned and managed by the community itself need competent and committed development facilitators, leaders and enlightened and active members. Hence the governance of SHG Groups that promotes democratic traditions is crucial for its success. Evolution of norms or rules and regulations for self governance, participatory decision making, diligence and self-discipline among group members coupled with strong enforcement mechanism are sufficient conditions for transparency in group operations. These rules and regulations are not mere statements but reflect the understanding of group norms by members through their conduct in group activities. Rules and regulations of the group,
therefore, there is a need to address conflict situation in day-to-day functioning of group and provide contextual solutions.

While stability of group membership is strongly encouraged, it is possible that a few members could be co-opted into the groups to attain optimality in group size. Also delinquent members could be expelled, in which case the groups could undertake a situational analysis and take appropriate decision. However, core objectives of the group and rule for self governance should not be lost sight of.

SHGs are right platforms for the poor to come closure in helping each other by creating a suitable and conducive economic environment of 'self-sufficiency', 'self-finance, and 'self-help'. As a 'solidarity group', it provides a forum for the women members to develop decision making capacity, entrepreneurial talent, business quality and leadership quality. It also helps women in accessing market condition and equip them with basic knowledge required for transaction. The institution of SHG, as a 'group activity' also provides organizational frame work for pulling up capital, labour, technology adoption, specialization and innovation in production. It enhances the operational and techno managerial qualities of women with all future optimistic visions. Being, acting as the 'members' but not as 'co-operators', they develop a good spirit of self assessment, self consciousness and self commitment. SHGs strategically provide a good institutional mindset for its members.
towards mobilization of thrift, saving habits, banking practices, debt management qualities, accounts maintainance and record keeping procedures. SHGs build the personality of women members and bring them from lower and higher economic circle with greater social exposure.

Hence, as an approach-“Direct attack on Poverty”,-at micro level and empowering women at grossroot level the formation of SHGs is a need based economic endeavour planned deliberately towards productive purposes and development of the women economically. SHGs have now become a modern economic weapon for the poor women to fight against poverty and economic depression. It is the most potential tool against human deprivation and mainly intends to build human capital. SHGs have become a ladder for the poor women to go up not only economically but also socially, mentally and attitudinally. So the concept of SHGs should not be considered as a mere social sector programme or intervention to provide as socio-economic safety net to the women belonging to target group. Rather, it should be viewed as a huge investment in the capacity building of the vast human resource in the rural pockets for the sake of balanced rural development. As whole this concept is considered as social capital which can solve ample number of problems in renal setting.
Anantapur district was formed in the year 1882 separating from Bellary district and was later on expanded with the addition of Kadiri taluk from Kadapa district in the year 1910 and Rayadurg taluka from Bellary district in the year 1956. Anantapur district lies between 13°-40’ and 15°-15’ Northern Latitude and 76°-50’ and 78°-30’ Eastern Longitude physically. The district has been divided into 3 Revenue Divisions. Red soil constitutes 76 percent and black soil 24 percent of the total area in the district. Anantapur district is the driest part of the country with the second lowest average rainfall of 520.4 mm. The main mineral deposits in the district are limestone, barites, dolomite, iron ore etc.

SHG scheme is being implemented in the district since 1987-1988. The main objective behind introducing SHG groups in the district is to raise the income level of women of poor households and involve them in the social development process by achieving economic self-reliance. The strategy of group formation is aimed at improving the women’s access to basic services such as health, child care, nutrition, protected drinking water, sanitation and education.

Year-wise enrolment of beneficiaries as endorses the fact that the programme has made a positive impact on the development of women in the district. This has been made on the assumption that since 2000 to 2009-2010 the enrolment of beneficiaries was about 50237 in number in the district.
Year-wise progress of VOs in Anantapur district shows a steep progress, in terms of bank linkage and credit mobilization from 2000-2001 to 2009-2010. This signifies the fact that the programme is well received by the people in the district and hence achieved more than the targets. Therefore, it can be concluded with a positive understanding that these groups might have helped the people in their overall development.

The details on progress of coverage of the beneficiaries in Bukkaraya Samudram Mandal by their social status also enfolds that the programme had an impressive impact on the rural people even among the weaker sections of the society. Thus the programme was achieved its social objectivity in attracting lower levels of people towards this scheme and the benefits derived out of this scheme.

The most unacceptable form of human existence called ‘poverty’ is at its foot steps to vanish from the area slowly. The forward linkages between SHGs and Banks etc. are an important base in his direction through innovation in Micro Financing. This SHG-Bank linkage is, in fact, one of the largest Micro Financing initiatives in the district. The formal Banking system in the area has taken up the task of main streaming this underprivileged category of people.

The empowerment of women through SHGs has gone far beyond individual level. SHGs functioning have brought about not only social
empowerment to women but also endowed them with economic empowerment (freedom to purchase articles, manage home, invest independently etc.) and decision-making opportunities.

The key economic institutions of India thus needs flow of micro-credit organized and implemented via SHGs in the rural dominated area would certainly accelerate in creating a better impact on the quality of life of the SHG women in rural sector. It will definitely enhance their capability and capacity in decision-making process in the household. Ultimately it will also pave the way in breaking the vicious circle of poverty of rural and trial economy. Micro-financing in the form of SHG, not only create a good marketing facilities in rural areas but also helps the women folk in creating self-confidence in the matters of financial arranging and monetary gains in other developmental schemes. It checks urban migration and helps to utilize local available resources in the most productive channels in different economic visions. It is a way which helps, particularly to SHG women to raise themselves from the lowest economic ebb and equip them with varied economic power to conclude, not anticipating much, the institution of SHGs, if it managed well can be a strong an vibrant economic weapon for the poor SHG women atleast to earn to meet the minimum necessities of life for which they are struggling from many centuries.
Women empowerment is a multifaceted concept. It seeks to bring about the advancement, development and empowerment of women. The policy encourages active participation of all as take holders for achieving its goals. The SHG programme is one of the means to achieve the ultimate objective of women empowerment. The foregoing discussion clearly reveals that the SHG women in study area have performed extremely well by fostering savings, by pursuing a diversified structure of occupations, by earning income to achieve economic independence. The study also made it clear that a substantial number of stakeholders in the programme were women belonging to weaker sections of the society who are socially and economically oppressed by the society at large. These women now do not depend on their husbands or sons or wards for their needs. They do not also depend on the local money-lenders whenever they need any money to meet the education, medical or other emergency expenditures in the family or to meet their personal needs. They simply use their pooled savings or SHG loans from banks. According to them it is a remarkable achievement of SHG programme.

It is clear as the pursuit of independent occupation by the SHG members enabled them to earn income and thereby increases the income of the beneficiaries. Since the entire sample SHG members were housewives earlier with zero transfer earning, the entire incremental income was a real gain to them. On the average, the
sample SHG members of Bukkaraya Samudram Mandal reported some amount of increase (see table 5.13) in their income. Among them 48 per cent reported moderate to significant change and 43 reported little change in their income levels.

As could be seen from the table 5.15 in the study area, nearly 88 per cent women reported some amount of improvement in their employment levels after taking the membership in SHGs. Around 40 per cent reported noticeable to significant improvement in their employment level, while 48.33 per cent reported little improvement in their employment levels. Only 4.17 per cent reported status or negative impact from employment point of view. It means large number of women accepted improvement in their income and employment level after joining SHGs.

It is clear that the successful implementation of poverty alleviation programmes depend on the access of poor to such programmes. The study reveals (table 5.19) that around 83 per cent women reported that their membership in Self-Help Groups enhanced their access pro-poor poverty alleviation programmes. Among them 57.50 per cent said that there is moderate to significant improvement in their access to poverty alleviation programmes. About 25.83 per cent of women reported little improvement in their access to pro-poor programmes after they formed in to Self-Help Groups. The study further reveals the fact that the
Andhra Pradesh Government recently handed over the implementation of poverty alleviation programmes to the members of Self-Help Groups in respective villages.

**Findings of the study**

The important findings of the study are as follows:

- The study reveals that about 61.59 per cent of the SHGs in Bukkaraya Samudram Mandal hail from BPL families and remaining from non-poor families.
- About 95.83 per cent sample respondents' hail from Hindu religion and only 17.50 per cent of them are illiterate.
- Around 55 per cent of respondents hail either from marginal or small or medium land holding families. The remaining 45 per cent are landless.
- Agriculture and allied activities are the major occupation of 68.33 per cent of the respondents.
- Large number (70.83%) of sample respondents savings in SHGs ranges between Rs.1001 to 3000.
- Nearly half of the respondents (49.17%) have double the access is ability to bank loans under SHGs.
- The loans taken from the banks were utilized for productive purposes by 84 per cent of the respondent beneficiaries.
The joining of SHGs improved the access of poor women to formal financial institutions. About 93.50 per cent of the respondents reported little to significant improvement.

About 97 per cent of the respondents have positively responded that after joining in SHGs, the availability of credit improved largely. But it is disappointing to note that only 18 per cent of the respondents reported that they are still in the clutches of money lenders. It shows that these respondents could not coop up with the concept of SHGs formed IKP and utilized the facilities to solve their problems.

To reduce the financial burden on the self help groups, the “Pavala Vaddi” scheme under IKP enhanced the economic independence of women.

The impact of SHGs on the habit of savings is reported positively by the 91.84 per cent of the respondents.

Another anomaly in which the positive impact is not satisfactory is that the membership in SHGs does not improve respondents' access to pro-poor programmes. About 16.66 per cent reported either no impact or negative impact.

The main objective of Indira Kranthi Patham (IKP) is to enable all the rural poor families in 22 districts of Andhra Pradesh to improve their livelihoods and quality of life. All households below the poverty line, starting from the poorest of the poor are the target group for IKP.
Besides, a few number of non-poor households also covered under the IKP.

- About 30 per cent of the respondents reported either no change or negative impact with regard to their expenditure on food items.
- The positive impact on the health expenditure was reported by 82 per cent of the respondents, whereas 85 per cent reported positive impact on their children education.

**Suggestions**

In order to improve the performance of SHGs certain suggestions have been offered based on the findings of this study. They are as follows:

- The women beneficiaries should be provided with sufficient training in selected economic activity before release of loan.
- Funds allocation criteria for SHGs should be based on population of Scheduled Castes and Scheduled Tribes enrolled in SHGs. The criteria for allocation of funds at village panchayat level should be the same as it is at the state level because poverty level differs from one village to another.
- It is observed from the respondents that there is enormous delay in sanctioning the loans. So the delay in sanctioning the loans must be curbed by the government because to reduce the expenditure incused in getting the loan.
Agro-based industries should be established throughout the district for providing supplementary part-time employment to SHG members.

It is found in the study that the women beneficiaries are indebted to money lenders and others which are outstanding debts in the villages. So they have diverted their income to clear these debts, hence socio-economic conditions of the SHG women beneficiaries are to be studied before sanctioning the loan. So as suggest the appropriate repayment mechanism to those women.

Forward and backward linkages are to be considered while sanctioning the activity.

A centralized market is essential to sell the finished products produced by SHG beneficiaries; hence the government has to establish centralized markets managed by the SHG members.

It is noticed in the survey that some of the women beneficiaries who are above the poverty line were also enrolled in SHGs. So the officials should conduct proper household survey to identify the right beneficiaries.

Gender based programme has to start against girl child, tackling domestic violence which helps women to increase their understanding of intra family equity issues, decision making levels, free mobility and necessity of building a safe environment under IKP.

Due to illiteracy the women beneficiaries were under the wrong impression that the government is sanctioning the loans freely and
there is no need to repay, hence the beneficiaries should be cautious about the consequences for non repayment of loans.

The non-poor women enrolled under IKP should not be allowed to take the leadership of the group. They should be continued as role models in the group.

It suggested that there is need to bring awareness among the SHG members about the pavalavaddi scheme so as to remove misconceptions among them.

Recognizing that people with Disabilities are among the poorest and most vulnerable of the poor, IKP has to adopt a participatory development approach to support them.