INTRODUCTION

Rural development is a complex and indivisible phenomenon to understand the concept of rural development. Rural development denotes overall development of the rural areas with a view to improve the quality of life of the rural people. It encompasses development of agriculture and its allied activities, cottage and small-scale industries, traditional crafts, creation of socio-economic infrastructure, proper use of rural manpower and improvement in community services and facilities.

During the planning period, rural development strategy had shifted from the growth-oriented to empowerment-oriented. The evolution of rural development strategy relating to various rural development programmes and schemes. Growth-oriented Programmes mainly concentrates on the qualitative changes of the society i.e creation of rural infrastructure, social and economic development. Only after undertaking the problems of poverty, many programmes have been implemented to reduce the poverty through various activities. These programmes include the agricultural development, industrial development, community development, utilization of the available resources to develop the rural areas. The major growth oriented programmes implemented in India are: (a) Community Development Programme (CDP), (b) National Extension Service Programme (NESP) (c) Intensive Agriculture District Programme (IADP).(d) Rural Industrial Projects Programme (RIPP). (e) Intensive Agriculture Area Programme (IAAP) (f) High Yielding Verities Programme (HYVP) and (g) Command Area Development Programme (CADP).

The rural development programmes covered under this strategy of specific area and target group oriented programmes were launched by the government of India in 1970s to reduce economic inequalities among regions and to raise the levels of income. The major activities covered under specific area and target group-oriented programmes are: Crush Rural Employment
Programme (CREP), The Small Farmers Development Agency (SFDA), Marginal Farmers and Agricultural Labourers (MFAL), Drought Prone Area Programme (DPAP), Desert Development Programme (DDP), Tribal Area Development Programme (TADP), Hill Area Development Project (HADP), National Watershed Development Projects (NWDP) and Pradhan Mantri Gram Sadak Yojana (PMGSY). Similarly poverty Alleviation Programmes are outlined to make direct dent on poverty alleviation and to generate employment, various rural development programmes have been launched during and after the 5th Five Year Plan. These programmes can be divided into two groups – Self-employed and Wage-employed.

The Self-Employment Programmes like Training of Rural Youth for Self-Employment (TRYSEM), Integrated Rural Development Programme (IRDP), Development of Women and Children in Rural Areas (DWCRA), Supply of Improved Tool kits to Rural Artisans (SITRA), Gagan Kalyan Yojana (GKY), Swarnjayanti Gram Swarozgar Yojana (SGSY) and Prime Minister’s Rozgar Yojana (PMRY) are implemented. Similarly the wage–employment programmes designed are, National Rural Employment Programme (NREP), Rural Landless Employment Guarantee Programme (RLEGP), Jawahar Rozgar Yojana, Employment Assurance Scheme (EAS), Member of Parliament Local Area Development Scheme (MPLADS), Jawahar Gram Samridhi Yojana (JGSY) and Sampoorna Grameen Rozgar Yojana (SGRY).

The Empowerment-oriented rural development strategy started with enactment of 73rd Constitutional Amendment Act (1992). This act enables people to prepare plan for economic development and social justice. The work provides an effective role to Panchayati Raj Institutions for involving people in decision making, implementation, evaluation and sharing of the benefits derived from socio-economic development projects. It is necessary to initiate the process of change through PRIs at grass root level. Grama Sabha (GS) meeting to the people have to be enlightened on various current issues, so that
they become more assertive in exercising their powers and privileges. In this context, it is significant to involve academicians, NGOs, social workers and retired people in organizing awareness camps for them. Gram Sabha, which comprises all adult people of the village, has been empowered to approve the plan prepared by its executive (Gram Panchayat). The Gram Panchayat is represented by all sections of the society as the seats in it are reserved for women, dalits and other weaker sections. The people of the GS level have to be enlightened so that they become more assertive in exercising their powers. In the empowerment process, the local people themselves have to assert their rights.

1.1. Role of SHGs in Rural Development:

The SHGs are a viable alternative strategy to achieve the objectives of rural development and to mobilize community participation in all rural development activities. In this context, it is very important to note that the concept of SHG in the state enhances the quality of status of women as participants, decision makers and beneficiaries in the democratic, economic, social and cultural spheres of life. In all stages of economic and social activities, the involvement of people becomes essential. Hence, the concept of SHGs is useful to encourage rural poor women to take active part in the socio-economic progress of our nation. In the context of rural development the important role played by the SHGs are explained in the following.

Creating economic self-reliance among rural poor by meeting consumption as well as production needs as and when they arise and this will prevent exploitation of the poorer sections from non institutional credit sources. Development of group dynamics, building leadership qualities to realize their potentialities and self-belief. Assisting the members to complete the formalities and documentation required to obtain credit from banks. Helping banks in recovery of credit by motivating members for prompt repayment of loans. Procurement of high cost inputs cannot be bought individually but they should be bought only through groups. Building common
infrastructure for the benefit of its members, resolving problems of the group members, which are very difficult to fight against it as individuals. Strengthen the group members through skill based training programmes and developing socio-economically. Giving effective support and care for each individual through micro-finance. Improving the status and capacity of the members in the form of skill development of training and providing opportunity to the members of the group for overall development of rural areas.

Motivating all members to participate in rural development, increasing self-confidence of the group members through awareness programmes, capacity building programmes. Improving the literacy level of the group members by adult education and non-formal education programme. Facilitating group to identify appropriate income generating activities for the numbers. Helping poor people in the village by motivating them in participatory development of rural areas allocating responsibility to every member in order to develop the facilities of each member. Securing government of NGOs help for the purpose of providing common facility for the village like construction of water tank, well, bridges, roads etc. Organizing common plan of action in the village for the purpose of tree planting, road laying, organization of free medical campaigns, renovation of school buildings construction of toilets etc.

The concept of SHGs has been emerging as a major approach for development and empowerment of worker sections in the third world. In India, since the beginning of the 9th Five Year Plan, most of the development programmes are channelized through SHGs. In most parts of the country, Self-help Groups are organized by governmental and non-governmental organizations. The government, banks and non-governmental organizations facilitate them by providing revolving fund, organizational base and training, credit etc., It is worthwhile to call SHGs a mass movement on a national scale for development and empowerment of the poor and downtrodden in the country.
During the past sixty years of planning government intermediaries and taping of rural savings which enlarge the resource base and thereby reduce their external dependence. Development economists, who pay attention to the eradication of poverty in rural areas and for whom improvement of the situation of the poor is more than pure rhetoric, stress the need for organization of rural poor into separate cohesive groups managed by the members themselves. They hold the opinion that participation of local population in development programmes as an important constituent of development strategy. They agree that rural poor themselves cannot achieve much without external assistance since the resources-material, financial and information technology are limited and have to be supplemented and complimented by the necessary support from outside. Micro Credit Institutions (MCI) in the form of Self-Help Groups (SHGs) have emerged at the village level based on the underlying strategy of the self help, collective protection, decision making and implementation of the programmes of the common benefit.

Self-Help Groups (SHGs) of women in India have been recognized as an effective strategy for the empowerment of women in rural as well as in urban areas: bringing women together from all spheres of life to fight for their rights or a cause. Since the overall empowerment of women is crucially dependent on economic empowerment, women through these SHGs work on a range of issues such as health, nutrition, agriculture, forestry etc., besides income generation activities and seeking micro credit. The finest empowerment paradigm did not originate as a Northern imposition, but is firmly rooted in the development of some of the earliest micro-finance programmes in the South, including SEWA in India. It currently underlies the gender policies of many NGOs and the perspectives of some of the consultants and researchers looking at gender impact of micro-finance programmes.

If a women is empowered her competencies towards decision-making will surely influence her family’s/neighbor’s behavior. These presences of these spillover effects with thus create a “social multiplier” where aggregate
power will be greater than individual power. Empowering women socio-
economically through increased awareness of their rights and duties as well as
access to resources are a device step towards greater security for them. Women
are in or a new deal to day as they are the focus of economic development. All
possible steps are being taken to strengthen them to achieve their economic,
social, cultural and political growth and welfare.

Concept of empowerment has become one of the widely used
development terms. Empowerment is an active, multi-dimensional process
used enables women to realize their potential and powers in all spheres of life.
Though the Government has continued to allocate resources and formulated
policies for empowerment of women, it has become strikingly clear that
political and social forces, that resist women’s rights in the name of religious,
cultural or ethnic traditions, have contributed to the process of organization and
oppression of women. The basic issue that prevents women from playing full
participatory role in nation building has been eagerly searching for certain
alternatives. The participatory approach to development has emerged as a vital
issue in developmental policies and programmes for women. Self-Help Groups
(SHGs) are considered as one of the most significant tools to adopt
participatory approach for the economic empowerment of women.

In India the SHG approach to micro credit started in the early 90s and got
momentum only since 1988-89. In the State of Andhra Pradesh (AP), the SHG
approach started to spread throughout the state since the year 2000. The SHG
as pointed out above is an attempt by the poor women to come together to fight
out various economic and social problems faced by them. In India, the literacy
levels of poor women being very low, their awareness regarding various issues
or aspects regarding SHG formation, functional aspects of SHG is also
minimal. In this context they look forward to an individual, institution or an
agency which would articulate their common feelings and help them in their
endeavor to bail out from their problems. In India Self-Help Group Promoting
Institutions (SHGPIs) have come forward to attend regarding various issues
relating to SHG promotion and its functioning. The SHGPIs are four types, SHGs promoted by government department or agency. SHGs promoted by Non-governmental organizations (NGOs). SHGs promoted by banks and SHGs promoted by individuals.

In the State of Andhra Pradesh, Government has taken keen interest in spreading and implementing of the SHG approach and their promotion. A.P Government is implementing a project by local vernacular name ‘Velugu’ (Light). Under this project functionaries work at village, mandal, district and state levels. The functionaries work at village and mandal play an important role relating to the promotion of the SHGs and their proper functioning. Apart from government Velugu project, a number of NGOs are also striving to assist the promotion of SHGs. The number of SHGs promoted by banks and individuals is very low.

1.2. Role of NGOs in Organization of SHGs towards Women Empowerment:

NGOs are playing a promising interlocutors role in all development activities in existing academic as well as development studies. In recent times, responding to Grass-roots level initiative and voluntary action became necessary to develop the rural areas. The increasing demands for the NGOs are itself a response to recent trends relating to socio-economic issues and their corresponding development interventions in academic and policy-oriented research. In India, empowerment of rural women poses multi-dimensional challenges and also offers opportunities for emancipation of the rural masses. The challenges are also multi-dimensional, because in India most of the rural areas have different social structures, involving very thick community concepts to hard-core conflicts in which considerable vested interests are operating and in many times, they function at other purposes also. Under this scenario,
meeting the challenges of empowerment of rural women becomes a formidable task. The objectives of empowerment of rural women are manifold and encompass improvement in socio-economic conditions, removal of poverty and indebtedness, regeneration of village and cottage industries, health, nutrition, family planning and sanitation, education through formal and non-formal system, local administration, etc.

An attempt is made to explain the need to be played a major role by the NGOs in empowerment of rural women like to supplement government efforts in implementing various programmes relating to empowerment of rural women and development projects. NGOs are expected to mobilize through their local resources initiative and promote self employment activities in rural areas. Organizing and mobilizing rural people for social action to create awareness among them, they should build self-reliant for sustainable society by acting as mediator between people and government, to help the specific target group, for example women, children, SCs and STs, landless agricultural labours and down-trodden people, act as a supporter and partner of government programmes in activating delivery system and in implementing rural development programmes etc., to promote appropriate technologies and conducting demonstrations, where and when there is a need, to generate self-confidence, self-help and to enhance decision-making capacity among the rural communities, activating social legislations Acts like Dowry, Minimum Wages, Abolition of Child and Bonded Labors, and Abolition of Female Infanticide and AIDS, factor of transformation, conscientization and improvement of the living standards and welfare of the poor, they should act as facilitator of development, education, training, professionalization, etc., dissemination of needed information especially information pertaining to modern agricultural technology as well as appropriate technology for promoting eco-friendly industrial activity. To promote rural health, sanitation, population control family planning activities.
The NGOs role is actual function played by an individual or organization in the relevant unit of society. NGOs are expected to play a crucial role in all conceivable aspects of empowerment of rural women and development. There is an urgent need for accepting the changing role of NGOs in the implementation of child care, women development, and anti-poverty and minimum needs programmes. While the role of NGOs has been accepted in supplementing governmental efforts, still there is general confusion and lack of understanding on how best they involve themselves directly in the mainstream of development process. Now, this is a turn to recognize the changes that have taken place in the society that there are many other economically and social vulnerable groups like small and marginal farmers, agricultural labors, scheduled castes, bonded labors, rural artisans, rural women, etc., who also need to be brought in the mainstream of development process.

The NGOs, as part of their strategies and plan of action, will have to spend a substantial amount of time, energy and resources at the grassroots level by assisting people for collective action and reflection. Mass level awareness and education campaigns, which include understanding of human rights, constitutional provisions, role and obligation of the state, rights and responsibilities of the citizen are essential. Mobilization, promoting functional unity and assertion of collective rights and demands by the poor and marginalized groups and communities will have to be taken on boarder perspective by the NGOs. NGOs as a sector, along with people’s organization and movements, will have to influence state policies and push for the allocation of adequate resources to human development priorities for markets and for economic growth.

The low functionally level in the sphere of occupational development, development functionaries, agencies and programmes, reflected very poor participation in development programmes. As a result, very few beneficiaries
were able to improve their occupational and economic situation by participating in development programmes. Further, development initiatives are to be guided with human dimensions of development. However, development policies and plans are not only concentrated on economic development but also promote community work culture and self-reliance. One of the strategies of the NGOs is that the marginalized sections of the society need to be empowered. These movements must be allowed to take various forms and shapes as long as they address issues of people’s life in a consistent manner. These movements may be amalgamation of so many actions and may take the shape of mass awareness programme (social-political, legal) about people’s situation and rights. NGOs must play a supportive role, allowing people’s leadership to emerge and take lead. This requires that NGOs are expected to invest on human resource development and capacity building. The NGOs must help in the process of building people’s alliance with various marginalized communities especially the scheduled castes, other Backward Castes and the minorities by supporting the grassroots people’s movement with legal assistance.

1.3. Research Problem and the Need and Relevance of the Study:

The gender roles can differentiate the position of women inferior as seen in all the countries. But the degree of subordination very according to the development, on the one hand and the ownership of means of productivity, on the other, the dissemination against women is more pronounced in the third world countries in view of the prevalence of poverty.

The identified gaps from the earlier studies reveal that failure of mainstream financial institutions / agencies to serve the poor has been well-documented. Formal finance considers the poor to risky, and the small loan they demand too expensive to administer, stringent collectable requirements exclude a large segment of the poor population especially the rural poor women. On the part of the poor women, bank lending procedures are regarded as to cumbersome, time-consuming, transaction cost is high and credit services are ill-adopted to the native and capital needs of their micro economic
activities. For the above reasons, there is need for the study about the strategy of Self Help Groups (SHGs) and how did micro credit help the rural poor women to come out from the clutches of debt trap and achieving empowerment. The development programmes cannot give good position/status for the rural poor women. Hence, it is important to analyze the theoretical approach of women development empowerment through SHGs by providing micro credit.

Time has come now to focus over full attention for the improvement of overall deprived conditions of the rural women achieving and accomplishing their economic independence and self-sustenance. The most important social innovations to help the poor in recent years has been the success of the thrift and credit based Self-Help Groups, especially those formed by women and operates by themselves with the assistance of both Government and Non-Government Organizations. This experiment has proved to be a greater success than the government sponsored programmes. Hence, there is a need to analyze such an innovative study which would help to know the exact of functioning of SHGs organized by Government authorities and Non Governmental Organizations in terms of group cohesion, dynamism, thrift and credit management, capacity building, leading to socio-economic empowerment and convergence of services. The need for rural development programmes specifically for the development of rural women is much imperative in a backward rural regions.

Some of the earlier studies on rural women confined themselves to selected issues connected with either the status of rural women, employment of rural women, agricultural women workers, rural development programmes for women, anti poverty alleviation programmes for rural women and rural women illiteracy. But these studies could not given either full information regarding the roots of poverty of rural women folk or the strategies, which help the rural women to come out from the debt trap. In Andhra Pradesh there are research studies focusing on the impact of SHG on household income and living
conditions of the SHGs members. However, studies comparing the performance of SHGs belonging to different SHGPIs are few in number. Further, it studies comparing the performance of SHGs belonging to different regions are also very few.

The present study attempts to analyze new approaches like empowerment of rural women through Self-Help Groups break through the micro credit. Some of the research studies confined themselves to an evolution study of rural development programmes or poverty elimination programmes as a whole. No attempt has been made to study separately the relative role played both by the Governmental an Non-Governmental Organizations (NGOs) in organizing the different activities of the SHGs related strategies involved in capacity building or empowerment of rural women through Self-Help Groups in Srikakulam district of Andhra Pradesh. The present study is an attempt to fill up the existing gaps identified in the literature by way of examining the relative performance of the SHGs organized both by the Governmental Organizations (Indira Kranti Patham IKP) and NGO (Bapuji Rural Enlightenment and Development Society (BREDS)) on the socio-economic empowerment of rural women in Srikakulam district.

1.4. Objectives and Hypothesis:

This study endeavors comparative analysis of the performance of SHGs belonging to two SHPIs belonging to governmental (IKP groups) and Non-Governmental Organization BREDS groups) in the Pathapatnam mandal of Srikakulam district with a view to know the influence of the organizational background on the performance and functioning of the SHGs. More specifically, the objectives are to examine are:

i. The performance of the SHGs in the selected SHPIs and to analyze whether there exists any difference in the SHG performance across the studied SHPIs, BREDS groups and IKP groups.
ii. The impact of SHG programmes on the socio-demographic indicators of the members from the BREDS groups and IKP groups.

iii. The impact of SHG activities on the economic and living conditions of the selected members forms the BREDS grpups and IKP groups.

iv. To identify the determinants of empowerment of rural women in the selected members from the BREDS groups and IKP groups.

Based on the above objectives the following hypothesis is outlined: The performance of the SHG activities as well as the important parameters relating to socio economic empowerment are more intensively positive in case of selected members from the BREDS (NGO) groups, because of the close monitoring of the NGO rather than the selected members from the IKP groups where such type of close monitoring is lagging.

1.5. Methodology Adopted in the Study:

The discussion on methodology involves sampling, tools of data collection and tools of data analysis. Multi stage sampling technique is used for the study. The first stage is the selection of district. In this case the Srikakulam district which is having a significant proportion of rural area from Coastal Andhra is selected for the study. At the second stage the Pathapatnam mandal is purposively selected, due to the activities of BREDS NGO are focused in that mandal. In the third stage to have a comparative analysis from the Pathapatnam mandal 40 SHGs covered under IKP are selected from 10 villages and from another 10 villages another 40 SHGs organized under BREDS NGO are selected. As a whole 80 SHGs are selected from 20 villages are selected from the Pathapatnam mandal. At the stage four from the each selected SHG by using purposive random sampling technique, 5 members are selected. A number of two hundred SHG members are selected from the 40 selected SHGs from SHPI (IKP and BREDS NGO). Totally 400 SHG members are selected from 80 selected SHGs from 20 villages of the two selected different SHPIs (IKP and BREDS NGO) of Pathapatnam mandal in the Srikakulam district of Andhra Pradesh.
Survey technique along with personal interview method is employed for data collection. Two separate questionnaires are used for data collection. Questionnaire-I is used for collecting data relating to SHG while questionnaire-II is used for ascertaining data from SHG members. The field survey to collect primary data is conducted from April 2010 to March 2011. In addition to this secondary data are obtained from NABARD records obtained from the internet (www.NABARD.org.), Government of Andhra Pradesh and the Society for Eradication of Rural Poverty (SERP). Relevant data is also collected from the offices such as Chief Planning officer of Srikakulam District, Mandal Revenue Officer, Pathapatnam from the selected SHPIs and from all the selected Village Panchayat Officers.

Different statistical tools are employed for analyzing the data. Simple techniques like averages and percentages are extensively used. The study endeavors to examine whether there is any difference in the performance of SHGs belonging to two different SHPIs (IKP and BREDs NGO) within the selected district. The determinants of current borrowings of the SHG members the Multiple Regression analysis is used. An attempt is also made to use the multivariate regression model for analyzing the determinants of rural women empowerment. An attempt is made to measure rural women empowerment index while taking into consideration the important socio-economic variables. The study has chosen six explanatory variables for estimating their impact on rural women empowerment, they are: literacy, general health, family size, occupation, economic activity and training and experience.

1.6. **Organization of the Study:**

The study is organized in eight different chapters. Chapter-I deals with introduction, significance of the study, objectives of the research topic along with methodology. Chapter-II presents issues relating to SHGs and review on earlier studies relating to the SHG activities and the role of NGOs in rural development and the socio-economic profile of the study area and SHGs selected for the study. Chapter-III presents a detailed discussion on the role.
played by NGOs in the process of rural development and profile of the selected NGO (BREDS). Chapter IV presents performance of selected SHGs of the two selected SHPIs. The impact of SHG activities on the socio-demographic conditions are presented in Chapter-V and Chapter –VI gives an account of the impact of SHGs on the economic and living conditions of selected sample SHG members. The empirical issues relating to socio economic empowerment of the selected sample SHG members are discussed in the chapter VII. Chapter-VIII gives the summary, conclusions and suggestions.
References:


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