CHAPTER - I
INTRODUCTION

Urban poverty in India is large and widespread. As per the Planning Commission data, out of an estimated urban population of 309.5 million, 80.8 million were below poverty line in 2004–2005 and their ‘per month’ consumption was less than Rs. 538.60. This data constitutes a significant proportion of the world’s total urban poor, estimated to be 291.4 million. In the past three decades (from 1973 to 2004), the number of urban poor has increased by 34.4 percent, and the percentage of urban poor has also increased from 18.7 percent in 1973 to 26.8 percent in 2004–2005. In comparison to the urban poor, the number of rural poor has registered a 15.5 percent decline over this period (Steering Committee on Urbanization, 2011). One in three people in the cities in developing countries are living in slums. Although conditions vary, but research shows that women and girls often suffer the worst effects of slum life, which includes poor access to clean drinking water, inadequate sanitation, unemployment, insecurity of tenure and gender-based violence. First, these are exacerbated at home by stressful and overcrowded living conditions; second, poor security and eviction threats in public areas make their lives further difficult, and so on (UN-HABITAT, 2010).

The women self-help groups (SHGs) in India represent one of the most important phenomena to surface in decades, given their scale as a platform for poor people's development. Many organizations in India, including non-governmental organizations (NGOs), community-based organizations, and local and national government bodies, now...
recognize the enormous potential of SHGs and are, therefore, promoting SHGs in slum areas also. To eradication of poverty and empowering women, the government and NGOs are promoting SHG in rural, tribal and slum areas. An SHG is a group of about 20 people from a homogeneous class, who come together for addressing their common problems (Anant, 2006). They are encouraged to make voluntary thrift on a regular basis. They use the pooled-in resources to arrange for small interest-bearing loans to their members. There are a number of poor families which are not able to access the easy finance available from the banks on nominal interest rates for the purpose of consumption, employment and asset building. They still depend on moneylenders, thereby paying high interest rates on the borrowed money. SHGs are creating space for these families so that they can access the finance available from banks.

The Society for Elimination of Rural Poverty (SERP) and Mission for Elimination of Poverty in Municipal Areas (MEPMA) both missions are promoting SHG concept in Andhra Pradesh. They are updating latest SHGs and their member’s data in their respective websites. As per SERP data, the total SHGs in rural areas are 12,37,471 and women members in these SHGs are 1,05,55,036. Similarly, the total SHGs in tribal areas are 71,397 and women members in these SHGs are 6,45,074 (Department of Rural Development, Government of Andhra Pradesh, 2012). As per MEPMA data, the total SHGs in urban areas are 2,72,108 and women members in these SHGs are 24,85,076 (MEPMA, 2012). The total SHGs in Andhra Pradesh state is 1,36,84,454 and women members in these SHGs are 15,80,756.
A total number of 2,32,694 SHGs have been formed in 7,520 slums in Andhra Pradesh (MEPMA, 2012), which were facilitated by the Government of Andhra Pradesh. Almost 50 percent of the SHGs have been functioning for more than 5 years. The government is spending huge funds to strengthen the SHG movement in the state.

There are limited studies available on SHGs in urban areas, and there is no single study available on SHG in slum areas. Due to this reason, the researcher reviewed the studies on SHGs in rural areas. According to a study conducted by Harper, 31 percent of the families of poorer members increased their assets (Harper, 1998). The NABARD impact evaluation of SHGs covered by the study of bank-linkage programme made it clear that the average value of assets per household (including livestock and consumer durables) rose by 72.3 percent, that is, to Rs. 11,793 during the 3-year-period (Puhazhendi & Satyasai, 2000).

‘A Study on the Self-Help Group (SHG) – Bank Linkage in Andhra Pradesh’ conducted by APMAS among 400 SHGs observed that education levels and ability to negotiate with other bodies had also improved (APMAS, 2005). The Society for Elimination of Rural Poverty institutional impact study found that 48 percent of the respondents in the intensive mandals and 73 percent of the respondents in moderate mandals have availed loans through the SHGs for income generation activities, such as dairy farming, small business holdings, etc., (Uma, 2006). The National Bank for Agriculture and Rural Development (NABARD, 1996) study found that the identified social impacts were related to literacy levels, housing facilities and food security (Puhazhendi, 2000).
The NABARD conducted a study on ‘SHG – Bank Linkage Programme for the Rural Poor – An Impact Assessment’. It was found that on social levels, a significant improvement in the status of women was seen in aspects, such as joint decision-making at the household level, freedom to talk freely with outsiders and officials, freedom to demand for own rights, do away with domestic violence, exposure to outside world, etc., (Puhazhendi & Badatya, 2002). Four leading NGOs, including ASSEFA, MYRADA, DHAN Foundation and LEAD, Trichy, conducted another study on 70 SHGs, which was promoted in Tamil Nadu and undertaken by NABARD from 1996 to 1997. The performance of the groups was assessed with the help of a scoring system covering indicators, such as homogeneity of groups, regularity in holding meetings, attendance in meetings, increase in the rate of savings, share of production loan to total loan, training, NGO involvement and effective leadership, etc. Almost 61 percent of groups were found to perform well, 29 percent were average and 10 percent were poor performers (Puhazhendi, 2000).

The slums in Hyderabad are increasing and these are crowded with migrated people. The state government initiated the SHG concept, in 1985, in the slums of the Serilingampally municipality. In 2007, the Serilingampally municipality merged with Greater Hyderabad Municipal Corporation. At present, 10 percent of SHGs are functioning in the Serilingampally circle as per the data of Mission for Elimination of Poverty in Municipal Areas (MEPMA). These SHGs are working towards promoting women in social, economic and political aspects to overcome poverty. The government has set up the required standards, assessment mechanism and capacity-building programmes for these
SHGs. The government, as discussed before, has spent huge funds on these programmes. The researcher chose this topic to understand the impact of SHG intervention at member level, family level and slum level. Within this context, the overall aim of this research is to investigate the impact of women SHG at member level, household level and at the level of their community. The research questions are framed on the basis of the objectives of the study.

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<thead>
<tr>
<th>Research question 1:</th>
<th>What are the socio-economic and living conditions of women?</th>
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<tbody>
<tr>
<td>Research question 2:</td>
<td>How SHGs constituted and what are their functions?</td>
</tr>
<tr>
<td>Research question 3:</td>
<td>Do women at homes and SHG meetings take their own decisions?</td>
</tr>
<tr>
<td>Research question 4:</td>
<td>What are the collective and organizational efforts in resolving social issues and community problems?</td>
</tr>
<tr>
<td>Research question 5:</td>
<td>At what levels are women empowered in social aspects (awareness on legal aspect, awareness of government programmes and improvement in personal skills)?</td>
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<tr>
<td>Research question 6:</td>
<td>At what levels are women empowered in economic aspects (access of finance and reduce dependency on moneylenders)?</td>
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<td>Research question 7:</td>
<td>At what levels are the women empowered in political aspects (participation in local governance)?</td>
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**Research Methodology**

The 14 out of 59 slums of Serilingampally in Hyderabad were chosen for the research study. The researcher studied the geographic information, the status of SHGs, their
functioning and other secondary information from various sources. The researcher visited the slums, interacted with the SHG members and collected data in the prescribed interview schedule. Some of the information was collected during the discussions with the focus group. A cluster sampling and stratified random sampling method was used to draw samples from these different sources. There are 59 slums in Serilingampally circle I and II, 14 slums were selected based on following criteria.

- Geographical/area representation from four administrative and election wards Gachibowli, Serilingampally, Chandanager and Hafeezpet in the Serilingampally Circles I and II.
- Proportionate caste representation in 14 slums.

In the first stage, the researcher selected the year 2005 as the benchmark and considered those SHGs as a sampling which had experience of more than 5 years. In the second stage, a sample of respondents within those slum areas was selected on the basis of caste representation. From a total figure of 615 SHGs, the researcher chose one-fourth of the SHGs from 14 slums, which means a total of 154 SHGs were selected for this study.

Seven case studies have been taken up for in-depth study from the sample population of 154 and discussed in detail about these case studies in Chapter - VI.

**Significance and Implication of the Research**

The research presented in this thesis has significant implications for both theory and practice. Community organization means a process by which a community identifies its need or objectives, finds the resources (internal and/or external) to deal with these needs or objectives, takes action with respect to them, and in doing so extends and develops
cooperative and collaborative attitudes and practices in the community (Ross, 1955). Therefore, there is a clear need for theories based on research conducted in urban slums on SHGs. To the researcher’s knowledge, till date, there has not been any other study conducted in the research area covered here. Of course, this has necessitated that the study, in some respects, takes an exploratory stance.

**Structure of the Thesis**

The thesis comprises eight chapters which are given as: Introduction, Review of Literature, Research Methodology, Results, Discussion, Summary and Conclusions.

**Chapter I**

This introductory chapter explains the overview of the thesis.

**Chapter II**

Chapter II studies Urban Poverty and Women Self-Help Groups explains the urban slums and SHGs in Andhra Pradesh and India, the history of SHG movement, government schemes and the problems of slums.

**Chapter III**

This chapter deals with the review of literature. The researcher reviewed various theories and studies related to SHGs and urban slums. The entire chapter puts forth a discussion about theoretical definition, concepts and results of various studies.
Chapter IV

This chapter explains the research methodology adopted for the present study. It gives the geographical area of the study, scope and objectives of the study, research questions, research design, universe for the study, sampling procedure, data collection, tools of data collection, fieldwork and analysis of data.

Chapter V

This chapter deals with the results and analysis of data. There are 85 cross tables, 25 chi-square tables and two Friedman test tables of various data and its analysis is included in the chapter.

Chapter VI

This chapter contains seven case studies.

Chapter VII

This chapter contains discussion, brings out a relation with the findings of the study to the theories and the relevant literature.

Chapter VIII

This chapter provides the summary and conclusions of the study. Major findings derived from the results are thoroughly explained, and they also draw conclusions and describe implications on the basis of the results.
References

The references list arranged based on “American Psychological Association” (APA) sixth edition in MS Word 2007.

Appendixes

The thesis comprises the Contingency tables of Chi-Square test, Interview Schedule and Profile of Serilingampally Circle-I and II as an appendixes