



Impact of self help groups on empowerment of rural women: A case study in Guntur district of Andhra pradesh

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Abstract: Although women constitute almost half of the total population of the world, their social, economic and political status is lower than that of men and they are subjected to the tyranny and oppression of a particular order for centuries and de facto even today. Women belonging to underprivileged and poorer sections, irrespective of their social strata or region, are by themselves, in no position to unravel their problems. They are subject to discrimination and exploitation and occupy a lower status in domestic, political and economic scenario. Women, particularly, in rural areas have proportionately least possessions, skills, education, social status, leadership qualities and capabilities for mobilization, which determines the degree of decision making and power, and as a result, their dependence on men increases. Women's lack of empowerment is believed to be an important factor for this situation and hence they require social and economic protection. Therefore, they need to be empowered economically, socially and politically. In recent years, the traditional roles of women have undergone some changes due to economic needs and efforts were made to bring visibility and mainstream women's contribution to the overall growth and development of the societ. Empowered women define their values and formulate their beliefs themselves. They strengthen themselves through other women's support and sustain their own moral visions. Their actions flow from their own distinctive ideals. Empowered women can be found in all social groups and all societies.

Key words: mainstream, welfare policies, employment

Introduction

Women, in fact, contribute more than half of the wealth of nations and yet they are denied economic, social and legal rights and privileges that such a contribution often entitles men to. The Beijing meet and subsequent meets emphasized a great hope which will take equity. There has been a perceptible shift from viewing women as target of welfare policies to treat them as critical agent for development. Agents of women empowerment can be broadly classified into two, viz., external and self motivation. The external agents are

government/ semi - government agents and non-governmental organization. The government of India has created effective institutional frameworks to strengthen the movement for women empowerment after independence. Several programmes and remedial measures are taken up to develop and uplift women. Several Acts were framed for the betterment of women, say, the Employees State Insurance Act 1948, the Factories Act 1948, the Mines Act 1952, the Plantation Labour Act 1970 and the Payment of Gratuity Act 1970. A number of provisions were made in the Criminal



Procedure Code, the Hindu Marriage Act and the Hindu Adoption and Maintenance Act to provide special protection to women Article 39 (a) of the constitution also provides for right to an adequate means of livelihood for men and women equally. The 73rd and 74th

Constitutional Amendments ensure 1/3rd of total seats for women in all elected offices including local bodies in both rural and urban areas for the advancement of women. Besides this, 33 per cent reservation for women in legislature is provided by the government. The government has introduced several initiatives in this direction by introducing various programmes. The emphasis of these programmes is on the economic betterment of women by providing them employment and income generating assets. The prominent poverty eradication programmes were the Integrated Rural Development Programme (IRDP), the Programme for Training of Rural Youth and Self-Employment (TRYSEM), National Rural Employment Programme (NREP), the Rural Landless Employment Guarantee Programme (RLEGE), the Jawahar Rojgar Yojana (JRY), Mid Day Meals Scheme, Mahatma Gandhi National Rural Employment Guarantee Act, etc.

Self-help groups and Women Empowerment: Self-help groups emerge as an important strategy for empowering women and alleviating poverty. SHG is a 'people's scheme' and its organization is a significant step towards empowering women. A Self – help Group is a voluntary group, formed to attain some common goals, most of its members have similar social identity, heritage, caste or traditional occupations and come together for a common cause

and manage resources for the benefit of the group members.

OBJECTIVES: Keeping in view of the importance of the study, the objectives of the present study are as follows:

1. To examine the socio-economic characteristics of the sample respondents
2. To examine formation and functioning of the sample Self Help Groups across sample villages
3. To assess the economic, social and political empowerment that has been achieved by the sample respondents after joining SHGs across sample villages
4. To analyze the problems faced by the sample SHGs across sample villages
5. To offer suggestions to improve the working of the Self Help Group.

(iv) METHODOLOGY

Multi-stage random sample method is to be used for the present study. Guntur district is purposively chosen for the present study. Guntur district has three divisions, namely, Guntur, Tenali and Narasaraopet. From each division, one mandal is selected. They are Guntur, Tenali and Narasaraopet mandals. From each mandal, three villages are to be randomly selected.

Findings

Largest number of self help groups was formed in Andhra Pradesh and the bank linkage is one of the highest in India. State, district, mandal and village level administrative structures were created and supposed to play active role in organizing, advising, and guiding



the self help groups. Academicians generally agree upon that the impact of the self help groups was found not only in economic sphere, but also in social, cultural and political spheres. Review of literature shows that the contribution of the groups was praise worthy. The findings of the present study are:

The positive aspect of the self help groups is that they take the group activity very seriously. 90 percent of the members attend the meetings and the meetings continue for two to three hours. Every member actively participates in the meetings and often the proceedings are vociferous. The tendency of somebody taking the lead and others concurring with them is not found. Every member participates and expresses their opinion and argues on the points of difference. On many occasions it is observed that the leadership of group is treated as mere formality. The tendency of accepting or concurring with the leader of the group is not found. The opinion of the leader is taken as the opinion of any other ordinary member. This is a positive sign, because this ensures participation and involvement, which always strengthens the democratic nature of the activity.

It is found that the loans at reasonable interest rates (three percent interest or *pavala vaddi*) relived the women and their families from the burden of borrowing from private money lenders and private micro finance institutions at exorbitant rates of interest. 65 percent of respondents said that the participation in the group activity enabled them to learn the importance of the thrift and debt free life.

Most of the members, i.e. 194 constituting 64.7 percent are relatively

young. They belong to 18 to 40 years age group. Given the enthusiasm and guarantee of financial benefits, they can use the group activity as a vehicle to achieve social and cultural ends for which the programme is designed. What they need is an intimate supervision, advice and guidance of the extensive administrative network. It is the precondition to achieve the social and economic empowerment, the ultimate goal of the programme. It is found that most of the self help groups are social affinity groups. Most of the members of the groups are either close or distant relatives. Those who are not relatives live in the same locality and familiar each other for a longer period.

Not even a single defaulter is found among three hundred selected members. This is remarkable by all standards. On a deeper enquiry it is found that if any member is not able to pay the instalment, other members came to their rescue. One of the reasons may be the social affinity that the members enjoy. The social bond which made the traditional ROSCAs alive and active is also showing the same impact. When the group meetings are held it is observed that most of the members often address other members suggesting one or other relation, a social practice that had been prevalent in all villages. When asked to identify the factor that is crucial for the sustainability of groups, 450 respondents (constituting 75 percent) said that homogeneity and feeling of solidarity is the crucial factor.

The driving force behind joining the group is economic factor. 416 respondents constituting 69.3 percent said that they joined for the sake of credit from bank. 86 respondents said that



thrift is the attractive factor that made them to join the groups. Even after five to nine years of experience in groups, 372 members (constituting 62 percent) said that the reason for continuation of membership is bank loans at a cheaper interest rate. 204 members (constituting 34 percent) said that inevitability to save the money is the reason. Only 12 members said that other factors like equal treatment, recognition and social and economic empowerment are reasons to continue in the groups. 430 respondents (constituting 71 percent) said that the major impact of group activity is economic.

The discouraging aspect is the failure of the members to use the bank loan for productive purpose or to start a new business. Only 246 respondents constituting 41 percent of the total number of respondents used the loan for productive purpose. Rest of the respondents, i.e., 354 respondents used the money for other pressing needs but unproductive. Steps must be taken to ensure that the bank credit shall be invested in one or other productive activity. Then only marked improvement in the economic condition of the members will register a marked change.

Most of the people who are involved in productive activity and producing goods are not able to use formal market facilities. Of the 246 members only 22 members constituting 7.3 percentage are using government market facility. Naturally this eats into their profits because using non governmental market facilities costs more. A natural consequence of this inability to enjoy government market facility is selling the products in the village or nearby mandal headquarters,

where the margin of profit will be less compared to the profits available in District headquarters or larger towns. 87 of the 246 respondents who produce goods sell them in their village or nearby mandal headquarter. Most of the people, though, borrow as a group, produce individually. The number of the respondents who are involved in collectively producing activity is only 54 out of 246. Another interesting factor is involvement in hereditary business. This made the facility of training and large network of trainers irrelevant. Of the 246 respondents who are involved in business only 44 received training. 202 respondents said that they did not feel the need for any training as the technique of preparing the goods is know to them.

This programme is meant for poor and poor and poor. However, not even a single respondent among the 600, belong to very poor category, if the definition given to the very poor category by the Guntur District I.K.P (MEPMA) is taken into consideration. If we take the

Government of India's poverty estimates into consideration only 88 members belong to poor category. Findings of this study corroborate with the findings of Bill Lucarelli(2005), (VOICE (2008), Ninth Report of ARC (2008) CS and Chowdhury (2008). Unless some new guidelines are framed and special effort is made, this programme will become a programme for middle and rich peoples' programme. Since, giving up of "savings first – credit later" is not possible, the monthly savings component can be brought down drastically and the savings period also can be reduced to a minimum. This may encourage the poor of the poor to join the programme.



Summary and conclusions

There is a need to reorient the administrative machinery. The administrators at village, mandal and district level shall first get convinced that this programme is not only a micro credit programme, but also a programme to achieve social and cultural change leading to empowerment. Then only they educate and guide the members in proper way. No single village organisation in selected mandals was involved in village development activities, though they are effective in forming groups and monitoring the repayment. Similar the case with mandal samakhyas, as no mandal samakhya involved in social development issues or organising classes and orientation programmes to propagate the importance of equality and empowerment. Mandal training centers are inactive. Capacity building activities are totally neglected by these centres.

Male domination is clearly visible. In most of the cases they take the decisions though the loan was taken in the name of women member of the house. 56 percent of respondents accepted that decisions regarding to financial matters are taken by the head of the family. It is head of the family who takes and spends the loan. However, 34 percent of respondents said that decisions are taken in the group. This is a positive development. Long association and increasing confidence in the ability of fellow group members would have encouraging them to take the group opinion in to confidence.

Economically this is a successful programme. Though meagre, there was some increase in the income of 342 respondents who invested the loan

amount in trade and agriculture. Six thousand rupees to ten thousand rupees increase per annum was registered. That amounts to 500 rupees to 800 rupees increase in income per month from a loan amount of 35,000 or fifty thousand. Perhaps, enhancement in loan amount and sincere efforts to train the members in non-conventional and profit making trades may enable them to earn more profit. The findings of this study corroborate with the findings of Abhijit Baneree (2009), Wen Cong Lu and Hasan (2011), Basheer (2007), and Gaiha and Nandhi and others.

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