**CHAPTER – I**

**EXECUTIVE SUMMARY**

Poverty and unemployment are the twin problems faced by the developing countries; the Indian economy also is not different from this. According to the Planning Commission more than one third of India’s total population i.e. 320 million live below the poverty line. Policy makers in India have realized the need for generating employment opportunities at a large scale to bring the teeming millions of its population above the poverty line. The credit needs and other financial services are provided to the rural masses in general and to the poor in particular through the rural financial markets comprising an unorganized sector consisting of commission agents, moneylenders, landlords and the like and an organized sector consisting of pyramid type co-operative credit institution – broadly classified into urban credit co-operatives and rural-credit co-operatives. Despite a wide network of rural bank branches in the country for implementing credit-linked poverty alleviation programmes, a large number of poor people continue to remain outside the fold of the formal banking system.

The poor recovery rate of formal rural financial markets has further aggravated the situation by impinging their already fragile viability. In order to enlarge the flow of credit to the hard-core poor, the NABARD launched a scheme of organizing them into self-help groups (SHGs) and linking the SHGs with banks, in 1992. The scheme is broadly on the pattern devised by the Bangladesh Grameen Bank. Under the scheme, poor, preferably the women are organized in the SHGs and banks are financing these SHGs for lending money those poor who are eligible for concessional refinance from the NABARD.

Empowerment of women is a social process that signifies the participation of both male and female. The contributions of female towards the well-being of the family and the society are thus as significant as that of the male. Women have been recognized as the embodiment of love, patience and sacrifice and are in no way inferior in any facet of life compared to their male counterparts. History reveals that there are women who could demonstrate high feats and bring glory in their lives as well as to the nation. However a small section of women could make it to the highest positions and majority of women who reside in rural areas are destined to be poor and continued to be in a state of vulnerability and deprivation in many parts of the country.

Any well designed development mode need women's participation as they constitute half of the population and their contribution to social and economic process is essential for sustainable development. Bringing women in to the mainstream development process is possible by creating awareness, educating them, giving proper training and extending financial support. The process assumes significance in Kerala state which has the unique sex ratio of 1058:1000.

Women in Kerala are better positioned in terms of literacy and human development index compared to other Indisin states. The vast reservoir ofuntapped female potential can contribute towards the prosperity of the state provided adequate credit and support system is ensured. The innovative credit delivery system emerged in the country during the 90's, through group formation following the axiom of self help and mutual help is found to be a powerful tool to mitigate the problems arising out of the deplorable situation of poor women.

With the provision of credit to women under group approach, a system has been developed in rural area where they could access money for their immediate and urgent consumption needs and also capital for production requirements. Participation in the group activities helps them to improve their skill and competence to take up productive ventures, enhancing self confidence and self-reliance. Such an attempt could contribute to the development of rural economy where 72.27 percentage of population of the country is concentrated

The country has witnessed a rapid growth of self help groups during the last decade. The SHG growth which has almost assumed the form of movement represents a massive grassroots level mobilization of poor rural women in to small informal associations capable of forging links with formal systems to help access financial and other services needed for their socio economic advancement. Basically SHGs are being promoted as a part of the micro finance interventions aimed at helping the poor to obtain easily financial services like savings, credit and insurance. Self Help Groups are the voluntary organisations which disburse micro credit to the members and facilitate them to enter into entrepreneurial activities. SHG is “a voluntary association of people formed to attain certain collective goals, both economic and social. Each group consists of 15 to 20 members, mostly female.” The entry of the banks into the microfinance sector happened first under pressure because of the guidelines of the Reserve Bank of India (RBI).The promotion of SHGs in India began more formally in 1992 with the launch of SHG-Bank Linkage Programme by NABARD. The programme’s main aim was to improve rural Poor’s access to formal credit system in a cost effective manner by making use of SHGs. (H.S Shylendra, 2008).

Women constitute nearly half of the world’s population and they play a crucial role in the development of the family, the Society and the Nation, but they have little access to productive resources and negligible control over the income of the family. Empowerment of women and gender equality are pre requisites for achieving political, social, cultural and environmental security among all people. (Naila kabeer, 2005) To eliminate poverty of women, employment opportunities should have to be created either through microenterprises or like.

Credit is one of the most crucial input in the process of development. SHGs have been recognised as a supplementary mechanism for providing credit support to the rural poor. A review of the genesis and development of the SHGs in India reveals that the existing formal financial institutions have failed to provide finances to landless marginalized and disadvantaged groups. The origin of the SHGs could be traced to mutual aid in Indian village community. The Co–operatives are formal bodies whereas the SHGs are informal. The SHGs encourage savings and promote income-generating activities through small loans. The SHGs have reliability, stimulate savings and in the process help borrowers to come out of vicious circle of poverty. The distinguishing feature of the SHGs is creating social and economic awareness among the members. The social awareness enables the members to lead their lives in a sound hygienic environment and pursue a better living. The woman members involve themselves more in taking decisions regarding the education of their children, the investment of the family, managing the economic assets of the family and bringing up cohesion among the members of the family and others for a better living, through the empowerment gained out of participation in SHG activities.

Empowerment literally means ‘becoming more powerful’. But in social work it connotes both theory and method. It is a theory concerned with how people may gain control over their lives, so as to achieve their interests as a group and a method by which social workers seek to enhance the power of the people who lacks it (Thomas and Pierson 1995:134). The dictionary meaning links empowerment with Self Help. Empowerment can refer to user participation in services and to the self help movement generally, in which groups take action on their own behalf, either in co-operation with or independently of the statutory services (Ibid: 134-135). Empowerment is a process whereby women become able to organise themselves to increase self reliance and to assert their independent right to make choices and control resources, both of which will assist in challenging and eliminating their subordination.

Rural women primarily join SHGs for the purpose of savings and availing credit, which are primarily denied by mainstream banks. But in course of time they experience a transformation with regard to their self esteem, their participation in the decision making at the family and community level. Their economic empowerment is evidenced by their participation in self employment avenues. And their social empowerment is indicated through their increased participation in the social spheres and active participation in the political process. The personal advantages of empowerment and the collective cohesiveness of group members are proposed to lift rural and indigenous women towards better economical and social outcomes.

Kerala is acclaimed for its Social achievements, education of women, zero population growth, maintenance of European level health standards etc. The state falls within the low poverty zone (0-15%) of India but still there are too many sufferers, who are mostly women (Planning commission Reports). The poverty of women is out of the inaccessibility to resources of their family, their educational backwardness and their inability or restricted ability to take crucial family decisions. The rural women’s access to savings and credit, through association with SHGs, not only elevates their economic situation and self confidence but also enable them to engage in IGAs that could gradually push them out of the clutches of poverty and leads to their economic independence. It is generally believed that, “Empowerment” is the key to poverty alleviation. The confidence gathered by the SHG members through participation in group activities results in their empowerment and this will lead to participation in IGAs or tactful application of funds raised from cheaper sources of credit. The present study is highly significant because it takes into account, the empowerment of poor through their association with SHGs and also the sustainability of SHGs, by providing empirical evidence from Kerala.

**CHAPTER – II**

**PROBLEM STATEMENT**

**PROBLEM STATEMENT**

Self help groups (SHGs) can act as an empowerment resource centers for the women members, percolating the benefits to the society in general. Social evils like alcoholism, domestic violence against women and children, abuse and exploitation, gender bias and social exclusion are some of the areas against which the members can effectively organize and combat. Ultimately, it can come to a point where it becomes their choice whether to remain socially, economically and socially impoverished, or to organize themselves into eradicating their deprivations. The concept of self help groups was envisaged with the intent of using its potent as a powerful tool for rural poverty alleviation through rural women empowerment. It is to be specified that women empowerment per se was not the sole motive. The objectives percolated into an overall family, community and social development to be achieved initiated from and by women themselves. It is specifically against this setting that the present study was undertaken to critically evaluate the nature and extent of impact of participation in SHGs on rural women. Analysis was conducted on the extent of various levels of empowerment achieved by the members through their participation in SHGs. Personal, social, economic and financial empowerment were attempted to evaluate.

**SIGNIFICANCE OF THE STUDY**

Self help groups (SHGs) can act as an empowerment resource centers for the women members, percolating the benefits to the society in general. Social evils like alcoholism, domestic violence against women and children, abuse and exploitation, gender bias and social exclusion are some of the areas against which the members can effectively organize and combat. Ultimately, it can come to a point where it becomes their choice whether to remain socially, economically and socially impoverished, or to organize themselves into eradicating their deprivations. The concept of self help groups was envisaged with the intent of using its potent as a powerful tool for rural poverty alleviation through rural women empowerment. It is to be specified that women empowerment per se was not the sole motive. The objectives percolated into an overall family, community and social development to be achieved initiated from and by women themselves. It is specifically against this setting that the present study was undertaken to critically evaluate the nature and extent of impact of participation in SHGs on rural women. Analysis was conducted on the extent of various levels of empowerment achieved by the members through their participation in SHGs. Personal, social, economic and financial empowerment were attempted to evaluate.

**OBJECTIVES OF THE STUDY**

The present study was undertaken with the following objectives:

* To identify the profile of the SHGs and its members in Chembilode Grama Panchayath
* To identify the level of personal, social, economic and financial empowerment achieved by the members of SHGs of Chembilode Grama Panchayath
* To identify the nature and extent of group-related and personal problems faced by the members of SHGs.
* To test the association between group characteristics and empowerment.

**HYPOTHESIS OF THE STUDY**

Membership in SHGs has not influenced the credit accessibility of members.

There is no difference in the influence of motivational factors for joining SHGs across the State.

Participation of poor in SHGs has not influenced their financial empowerment.

Participation in SHGs has not resulted in the personal empowerment of members.

SHG intervention has not resulted in familial empowerment of members.

Participation in SHGs has not affected the social empowerment of members.

Participation in SHGs has not influenced members’ legal and political empowerment.

There is no association between participation in SHGs and their technological empowerment.

There is no difference in the nature and extent of problems faced by SHGs across the regions and terrains.

There is no relationship between the level of sustainability and various dimension of sustainability.

**METHODOLOGY**

The study is descriptive and analytical in nature, based on both primary and secondary data. At the first stage, available literatures were explored from various sources including Journal articles, Working papers, Theses, RBI and NABARD reports, Reports of State Planning Board–Government of Kerala.

**LIMITATIONS OF THE STUDY**

* Since the consolidated data relating to all type of SHGs were not available, the study has to be restricted mainly towards the members of Kudumbashree alone.
* The members of SHGs were not maintaining any correct record regarding their assets, liabilities, or income annually, this compelled the researcher to restrain from collection of like data, for the purpose of the study.
* Though the researcher wanted to have an in-depth study on the IGA of SHGs, majority of them found inactive or dormant.
* The respondents have provided the data from their memory. Hence, the data may suffer from recall bias.

**REVIEW OF LITERATURE**

The brief review of literature on self help groups, presented below facilitated the streamlining of the methodology of the study. The study Self help groups in empowering women: case study of selected SHGs and NHGs by Jaya (2002) revealed that the SHG members unanimously agreed that the most striking advantage of the SHGs was the thrift component which acted as an „informal bank at their doorstep‟. Non-availability of incentives to group leaders was identified to be the factor leading to their waning interest and the gradual decline in the functional efficiency of even the successful groups. One major impact of SHGs on the women members was the creation of awareness on newer economic opportunities available.

Anju and Sidney (2002), in their study measuring women‟s empowerment as a variable in international development, attempted to outline the most promising methodological approaches to measuring and analyzing women‟s empowerment. They review major strands of theoretical, methodological and empirical literature on empowerment from the fields of economics, sociology, anthropology, and demography, and attempt to summarize what we know and do not know about what leads to women‟s empowerment, and its consequences for development and poverty reduction. Based on their analysis, they provide some concrete recommendations regarding where the field stands in defining, conceptualizing, and measuring empowerment, and what might Minimol and Makesh 271 be next steps for utilizing and refining existing frameworks, collecting data and conducting analyses, and incorporating approaches from related literatures. The report A report on women self help groups in Kerala State, India: A public health perspective by Mohindra (2003) explores the linkages between microcredit through SHGs and health. The report identifies that in addition to providing opportunities to women to participate in financial activities and in expanding their social network, SHGs also generates female autonomy and solidarity which in turn leads to better health consciousness, increased access to health care services and better decision making capabilities on health of family members. Zubair Meenai (2003), in his book Empowering Rural Women: An approach to empowering women through credit-based Self Help Groups, tried to elucidate and simplify the approach to women‟s empowerment through credit-based self help groups, by both providing the theoretical perspectives as well as practical guidance and tips to operationalise the same. He portrayed credit-based self help groups, as an integrated approach where credit is only an entry point and an instrument to operationalise other aspects of group dynamics and management. The MGR study covered10 different types of informal groups spread out in 3 provinces in Kenya – Nyanza, Central and Rift valley. The types of groups studied broadly included ROSCAs, ASCAs, and “other‟ self-help and were largely women groups though 3 mixed groups were included since male participation is growing hence the need to study resultant social dynamics. The overall research goal was to understand the functions, social dynamics and cultures of MGR groups in different parts of Kenya over and above money flow and other financially related information. NoRA‟s goal is to use the findings of this study to guide development of mobile tools and sustainable business models that can successfully link the different groups despite existing cultural and lingual barriers. Research questions were therefore developed around functions of MGRs, skills and knowledge in groups, social dynamics in and between groups, hopes and aspirations, social hierarchies, money flow and media and communication practices. Qualitative interviews and observations with different group members, their families and KIIs in their respective communities were used to collect the data. The findings reveal a great deal of information about each of the 10 groups as far as the nature of the communities the groups operate in, the type of members they have, what activities they engage in as individuals and as groups, membership motivations, group operations, challenges and other dynamics.

George (2004) in his research work, A comparative study of self help groups (SHGs) organised and promoted by non governmental organisations (NGOs) and Kudumbasree – a Government Organised Non Governmental Organisation (GONGO) in Kerala, towards empowerment of poor women made a comparative study of the enabling processes and efforts by the NGO and Kudumbasree towards social, economic and political empowerment of poor women since last few years in Kerala.

Sakuntala (2005), in her book Empowering women: An alternative strategy from rural India, pointed out that the more vital inhibiting factors leading to the disadvantaged position of women are their ignorance, powerlessness and vulnerability. She emphasized the need for bringing about an attitudinal change among women as the most important step towards empowerment.

The study “A comparative study of self help groups organized and promoted by non-governmental organisations and Kudumbasree”– A government organised non-governmental organisationin Kerala, towards empowerment of poor women by Loyola extension services found that there were visible changes in role of women in decision-making after becoming the members of SHGs. Majority of the members continued to depend on moneylenders due to insufficiency in SHG credit. SHGs were found to be effective means for encouraging poor women to participate actively in political activities and in improving their general skills.

The study Perception of officials about self help groups involved in vegetable cultivation by Sreedaya et al. 2001 identified that the officials perceived that SHGs created a sense of group cohesion, boosted self confidence, created interdependence and mutual trust among members and enhanced income generation opportunities. It was also found that involvement of members in decision-making was the least perceived one among the officials.

Eswar and Patnaik (2006), in his study empowerment of women in Orissa: A case study of Koraput district, tried to reveal the contribution of women to the development of a rural economy in a hilly and inaccessible region. The study concentrated on three areas such as education, work participation rate and agriculture for empowering women.

Rajan (2006), in his article women self help groups – innovations in financing the poor, tried to analyse the significance of women empowerment and rural credit in Orissa through SHGs and also the manner of mobilization and management of thrift of SHGs in Orissa. He found out that the amount of thrift mobilized by women SHs in Orissa is very meager.

Ramesh (2006), in his article Women SHGs in Orissa – a crusade for women empowerment, highlighted the role of women SHGs for women empowerment through the provision of easy credit delivery system. He presented the meaning and genesis of SHG and its development, its working pattern, linkage with formal financial institutions and its role for uplifting the women folk.

Umesh CP (2006), in his case study significance of women empowerment and rural credit in Orissa through SHGs concluded that SHGs have proved that they could bring about a change in the mindset of the very conservative and tradition bound illiterate women in rural areas. With appropriate market support strategies the members could effectively build enterprises as a source of their employment and income. Ganesamurthy VS (2007), in his edited volume book India: Economic Empowerment of Women, reveled that in India the work participation rate of women is less than half that of women. Despite efforts made towards economic empowerment of women, majority of the active female population continues to be confined to micro, small-scale enterprises and informal sector.

Susanta et al. (2007) in their research paper, WSHG: A vehicle for women self reliance presented the success story of some women SHGs in Ganjam district of Orissa. They discussed the functioning of these SHGs and the future plans to strengthen them by introducing web-based applications for better dissemination of information regarding their products and performance.

Sudha (2008), in her book women‟s empowerment in South Asia, explained women‟s empowerment as the ability of women to transform economic and social development when empowered to fully participate in the decisions that affect their lives through leadership training, coaching, consulting and the provision of enabling tools for women to lead within their communities, regions and countries.

Khari (2009), in his study women empowerment in India tried to explore how CRTC, a relatively small isolated rural NGO in the foothills of the Himalayas, has been successful in the empowerment of rural women living in highly patriarchal and traditional societies. BL Centre for Development Research and Action (2009), in a study titled, Micro Finance and Empowerment of Scheduled Caste Women: An Impact Study of SHGs in Uttar Pradesh and Uttaranchal found out that SHG‟s can contribute to overcome exploitation, create confidence for the economic self-reliance of the rural poor, particularly among women who are mostly invisible in the social structure.

**CHAPTER – III**

**THE STUDY**

**NATURE AND WORKING OF SELF HELP GROUPS**

An overview of the system of micro finance prevalent in the state has been discussed in the foregoing chapters. The present chapter looks into the working of SHGs by endeavouring a detailed study of 150 groups functioning in six selected districts of Kerala. SHGs promoted and facilitated by NGOs are functioning in all districts of the state from 1992 onwards. NGOs help women in forming groups and provide them necessary guidance for subsequent activities. The groups promoted by NGO have common bye law with specific rules and regulations regarding the formation, administration and functioning of the group. After formation of a group, a bank account is opened in the name of the group with a nearby bank.

The management of group vests with elected office bearers, normally a President, Secretary and a Treasurer. The secretary assumes the role of treasurer also for certain groups. The term of office of the managerial body is limited for a period of one to three years, with an intention to have rotation of leadership among all the members. However there are many cases where a few leaders continue in office and others either shy away from taking up office, or do not get proper opportunity.

The groups meet at regular intervals at places decided by the members usually in the house of each member on a rotation basis. The savings of members are collected in the course of meeting. Applications for loans are also taken up for disposal at the meetings. Availability of funds and urgency of the need are normally the factors that influence decision on loan applications.

The Groups maintain a systematic record of activities in the minute books, accounts and day book, register of members, pass book etc. The officials of NGOs, coordinators or a chartered accountant if the NGO has appointed one for their accounting purpose audit the account books of the group. Some of the members undertake audit who are trained by the coordinators of NGOs for the purpose. SHGs get support and assistance from NGOs in faciUtating smooth functioning. They arrange for finance from banks or other institutions, motivate them to start micro enterprises, impart training in leadership, accounting and Entrepreneurial Development Programme. Proper supervision and monitoring is also executed by the coordinators of NGOs, expediting sustainable working of the group.

For examining the first objective of the study, the functioning of 150 SHGs working for three years are selected from six districts (25x6) of the state for a detailed study. The intention is to assess the performance of group activities and its impact on developing the skill and competence of women and in empowering them. Information about the group is collected by the researcher attending the meetings of the group and administering a structured questionnaire among the leaders of SHGs. A detailed exhibit of the discussions and results of the study brings into light the status of the SHGs in the study area.

**Motivation to Start the Group**

 The idea of forming groups and thereby creating an economic security for poor women was disseminated by conducting meetings and campaigns by agencies like banks and NGOs at the local level. Prospective members were informed about the advantages of Group formation and collective effort in tackling their personal problems. Various agencies are in the field to motivate women in the promotion and formation of groups.

**SHG IN KERALA**

Kerala’s land reform which intended to place agricultural land in the hands of the tillers and ensure a dwelling place for the hutment dwellers was expected to usher in, a more equitable society and accelerate agricultural production. The bulk of the former tenants who benefited from the land reforms were people who did not have any direct dependence on land for their livelihood. The agricultural laborers who directly worked on land for their livelihood did not benefit much from land redistribution since they got only hutment dwellings and very little cultivable lands. The organizations like the cooperative movement or the self help groups emerged from the rural society in its efforts to institutionalize its mechanisms to respond to the environmental stimuli that challenge the rural agrarian livelihood options. The evolution of the self help groups has to be viewed in the backdrop of the dynamics of rural innovation, micro-level management and creation of collective bargaining power. The tendency to stay together and act together for common livelihood concerns were innate in human nature. A common cause often led to the creation of a common platform to stay together.

The second scenario pictured planning for the future of the rural and urban populations, depending on ways that make rural life more productive and attractive. It is through such initiatives that the rural economies benefit from their perseverance to find solutions to their survival problems. A critical factor in the success of such efforts is creating organizational capabilities at local levels that can mobilize and manage resources more effectively for the benefit of many.

Readings through the instructive examples suggest that some such efforts had external donor assistance while others had none. Some were conceived and nurtured by remarkable individuals while others were the products of team efforts or institutional initiatives. However, success depended on the set of persons who saw acutely both the needs and the solutions and those who innovated as they persevered bringing into being major programs that benefited large number of their fellow human beings.

In Kerala the mass political activism was radical in nature. Several economists have highlighted the fact that the so-called Kerala Experience cannot be elevated to the status of a model worth replicating. The failure was the low growth of the economy itself. With the advent of democratic decentralization and people’s planning, the scope of democratic growth and development has been redefined.

**GUIDING PRINCIPLES**

* Effort is built on mutual trust and mutual support
* Every individual is equal and responsible
* Every individual is committed to the cause of the group
* Decision is based on the principles of consensus
* The belief and commitment by an individual that through the group their standard of living will improve
* Savings is the foundation on which to build the group for collective action

**NEED OF SHG**

The very existence of SHGs is highly relevant to make the people of below poverty line hopeful and self-reliant. SHGs enable them to Increase their income, improve their standard of living and status in society. It acts as a catalyst for bringing this section of society to the main stream. Ultimately, the nation reaps the advantages of socialism. The Government of India and various state Governments have been implementing various programmes for rural upliftment. However, rural poverty and unemployment still persist in the country. This problem is becoming severe and acute. The available latest statistics relating to the Indian Economy indicates that about 26% of the total population in the country belongs to the rural poor.

Considering the gravity and intensity of the problem, many Voluntary Development Organisations (VDOs) have come forward with different programmes for the rural poor in the country. These agencies undertake various innovative programmes and schemes to address the issues of poverty and unemployment prevailing in our country. Among the various programmes “SwarnaJayantiGramaSwarojgarYojana” (SGSY) is an important one. This programme was launched on 1st April, 1999, at 75: 25 costs sharing between Central and State Governments. The main objective of this programme is to bring the beneficiaries above the poverty line by providing income generating assets to them through bank credit and government subsidy. The Self-Help Groups (SHGs) are the major component of this scheme.

Women are a vital part of the Indian Economy, both at the national and the household levels. They make one-third of the national labour force. Compared with their men folk, Indian women contribute a much larger share of their earnings to basic family maintenance with the result that women’s earnings positively and immediately affect the incidence and the security of poverty. Despite all this, social conventions and gender ideology deprive them of the access to, and control over, the resources which would enable them to increase their productivity. Women form the backbone of agricultural operations and majority of agricultural labourers are woman. Seventy to eighty percent of the field work is done by women.

Most post-harvest and processing tasks are their sole responsibility. They are heavily involved in animal husbandry, particularly small livestock. About 85 percent of persons engaged in dairy production are women. Since independence, government’s policy on women’s development has taken varying types of emphasis: from the initial welfare oriented approach to the current focus on development and empowerment.

The planning commission, with the aim of converging the benefits in the social and economic development sectors for women in the Ninth plan, envisaged “inclusion of an identifiable women component plan in the programmes of the respective ministries right from the planning process, and to monitoring and implementation of programmes to ensure the reach of benefits to women”. The Ninth Plan Document (1997-2000) also laid emphasis on the participation of people in the planning process, and the promotion of self-help groups. Self-Help Group (SHG) is a homogeneous group of poor, women. This group is a voluntary one formed on areas of common interest so that they can think, organise and operate for their development.

SHGs function on the basis of co-operative principles and provide a forum for members to extent support to each other. It is considered is a means of empowerment. SHGs organise very poor people who do not have access to financial system in the organised sector. In groups, normally transparency and accountability are lacking.

However, in a group like SHG, they are ensured through collective action of the members. This scheme mobilises the poor rural people especially women to form groups for mutual benefits. SHGs play a crucial role in improving the savings and credit and also in reducing poverty and social inequalities.

**OBJECTIVES OF SHG**

1. To inculcate the savings and banking habits among members.
2. To secure them from financial, technical and moral strengths.
3. To enable availing of loan for productive purposes.
4. To gain economic prosperity through loan/credit.
5. To gain from collective wisdom in organising and managing their own finance and distributing the benefits among themselves.
6. To sensitize women of target area for the need of SHG and its relevance in their empowerment.
7. To create group feeling among women.
8. To enhance the confidence and capabilities of women.
9. To develop collective decision making among women.
10. To encourage habit of saving among women and facilitate the accumulation of their own capital resource base.
11. To motivate women taking up social responsibilities particularly related to women development.
12. To acts as the forum for members to provide space and support to each other.

SHGs are considered as one of the most significant tools to adopt participatory approach for the economic empowerment of women, SHG is a group of people that meets regularly to discuss issues of interest to them and to look at solutions of commonly experienced problems. The group may or may not be promoted by Government or non-Government institutions.

The SHG is group of rural poor who have volunteered to organise themselves into a group for eradication of poverty of the members. They agree to save regularly and convert their savings into a common fund known as Group Corpus. The members of the group agree to use this common fund and such other funds that they may receive as a group through a common management.

Generally, all members of the group should belong to families below the poverty line (BPL). However, if necessary, a maximum of 20% and in exceptional cases, where essentially required, up to a maximum of 30% of the members in a group may be taken from families marginally above the poverty line (APL) living continuously with BPL families and if they are acceptable to the BPL members of the group.

This will help the families of occupation groups like agricultural labourers, marginal farmers, and artisans marginally above the poverty line, or who may have been excluded from the BPL list to become members of the SHG. However, the APL member will not be eligible for the subsidy under the scheme.

The group shall not consist of more than one member from the same family; a person should not be a member of more than one group. The BPL families must actively participate in the management and decision making, which should not ordinarily be entirely in the hands of AIM, families. Further, APL members of the SHG shall not become office bearers (Group Leader, Assistance Group leader or Treasurer) of the group.

The group should devise a code of conduct (Group management norms) to bind itself. This should be in the form of regular meetings (weekly or fortnightly) functioning in a democratic manner allowing free exchange of views, participation by the members in the decision making process. The group should be able to draw up an agenda for each meeting and take up discussions as per the agenda.

The members should build their corpus through regular savings. The group should be able to collect the minimum voluntary saving amount from all the members regularly in the group meetings. Tiu- savings so collected will be the group corpus fund. The Group Corpus Fund should be used to advance loans to the members. The group should develop financial management norms covering the loan sanction procedure, repayment schedule and interest rates.

The members in the group meetings should take all the loaning decisions through a participatory decision making process. The group should be able to prioritise the loan applications, fix repayment schedules, fix appropriate rate of interest for the loans advanced and closely monitor the repayment of the loan instalments from the loanee.

The group should operate a group account preferably in their service area bank branch, so as to deposit the balance amounts left with the groups after disbursing loans to its members. The group should maintain simple basic records such as minute’s book, attendance register, loan ledger, general ledger, cash book, Bank pass book and Individual pass books. 50% of the groups formed in each block should be exclusively for the women. In the case of disabled persons, the groups formed should ideally be disability-specific wherever possible, however, in case sufficient number of people for formation of disability-specific groups are not available, a group may comprise of persons with diverse disabilities or a group may comprise of both disabled and non-disabled persons below the poverty line.

**FORMATION OF SELF-HELP GROUPS**

There are three stages in SHG evolution.

1. Group formation

2. Capital formation through revolving fund and skill development.

4. Income generating activities.

1. Group Formation: - Group formation is not a spontaneous process. External agencies, individual working with communities can act as a facilitator in the formation of groups and its development. Self-help Group Institution (SHGI) plays a vital role in the initial stages of group formation. The external facilitators are generally Non-Government Organization, social workers, village level worker, informal associations of local people, community based organizations, government departments, banks, farmer clubs etc. They interact with the poor families especially women to identify the small homogenous groups. The members regularly meet on a fixed time and date in a month to collect savings from members under the supervision of SHGs. Thus SHGs will inculcate the habit of thrift and credit among the members, who generally belong to the families of BPL.

2. Capital formation through revolving fund and skill development: - Self-help groups are taught simple principles of accounting and facilitated to receive external funds in multiples of their savings. SHPIs, bankers or donors are the sources of funding for SHGs. The corpus consists of own savings and other external funds (Revolving fund, grants, loans). Small loan from corpus fund are given to needy members. The loans are given to members on a participatory method during the regular meeting etc. The loans have a definite repayment schedule, which is usually of short duration. The funds thus are rotated among themselves. Thegroups shall have a bank account to deposit the savings, revolving funds etc. The group shall maintain certain basic records as well

4. Income Generating Activities (IGA): - SHG members take up different income generating activities. SHPIs play an important role in taking up the suitable IGAs by the members based on the skills.

Income Generation Activities of SHG

 Agriculture

 Chicken shops

 Animal husbandry

 Mess

 Hosiery

 Mid-day meals

 Candle preparation

 Embroidery

 Cane items

 School uniform stitching units

 Carpets

 Brick making

 Khadi, leather items

 Pot making

 Spinning and weaving

 Saree business

 Basket weaving

 Candle making

 Woolen blankets weaving

 Sale of fruits and seeds

 Pickle making

 Vegetable vending

**FEATURES**The features of SHG’s may be categorized in the following manner:

* Group’s members usually create a common fund by contributing their small savings on a regular basis; groups manage pooled resources in a democratic way; considers loan requests; and loans are disbursed by purposes. The rates of interest vary from group to group and the purpose of loan, interest rates are higher than that of banks but lower than moneylenders.
* The average deposit and loan size of SHG account is larger than individual accounts under the priority sector, bank transaction cost of dealing with SHG’s is obviously lower than that of individual borrowers; the rate of growth of credit absorption of SHG’s is much higher than individual borrowers under the priority sector.
* Banks can reduce the operating costs of forming and financing of SHG’s, involving NGO’s or youths for forming and nurturing SHG’s.
* The innovative forms of financing is imperative to supplement credit strategies for meeting the needs of the poor by combining the flexibility, sensitivity and responsiveness of the informal credit system with the technical and administrative capabilities and financial resources of formal financial institutions and also to build material trust and confidence between bankers and the rural poor and to encourage banking in a segment of population that formal financial institutions usually find difficult to reach.
* The entire process of internal savings and credit is backed by financial and management counseling, promotion of new avenues of employment and motivation for enhancement of earnings from the ongoing activities.
* The groups develop their own management system and accountability for handling the resources generated. The interaction among the members is based on participatory mechanism in terms of decision-making.
* Small savings of rural women can generate the required resources, which can wean the people away from the exploitation of moneylenders. Thus, the voluntary savings constitute the key for economic progress. Promotion of SHG’s can bring women into the mainstream of economic development.
* Credit through SHG’s is being regarded more suitable by banks and NGO’s since creditability of SHG’s regarding utilization and recovery is praise worthy.
* Credit accessibility through SHG’s is cost effective and group approach can ensure wider coverage of poor families through bank credit, even the members of the group learn interdisciplinary approach the 5 banks for advance lead to direct interaction and guidance from the bank officials.

SHG’s can create a unique, alternative need based credit-delivery-mechanism by pooling their meager resources for catering to their consumption and production requirements.

**ACTIVITIES OF SELF- HELP GROUPS.**

Self-Help Groups are formed in the socio, economic, political and educational sphere of the society at large and in the rural society in particular. It is hard to distinguish whether a particular activity falls into any one of the spheres exclusively. They intermingle with one another. An economic activity that enables women to earn a handsome amount gives her a new role in the decision-making in the family. The training programmes most of the time aimed at skill development also enables the women to become confident to contest in the election for the local bodies. Any one shall standing that the results of a particular activity can always lead women to enter into other spheres of public life.

* Economic Activities of the SHGs
* Production of Artifacts
* Managerial Activities

 **CHARACTERISTICS OF SHGs**

* Each group should contain 15 to 20 members.
* The members of this group should live below the poverty line.
* Every group member should have a clear conception of the vision and mission of their group.
* They should have good faith in themselves with similar ideology and common interest.
* They should have a better understanding and inter-member cohesiveness among group members.
* Every member should meet with each other at least once a week at a common place to discuss their common concerns so as to ventilate their narrow feelings.
* Leadership in each group is confined for a period of three years and the members should make change of leadership as the term is over.
* Every group has an identity by its name and place of operation.
* One-family, one-member norm is followed during registration of the members for a group.
* Members will be entitled for having credit facility after practicing regular weekly savingsfor a period of more than six months.
* Only the group members are entitled for savings and credit from group.
* Registration of new members or cancellation of membership should be made within oneyear from the date of formation of group.

**NORMS OF SHGS**

Any self-help group will have certain norms: help to function properly for sustainability of SHGs. It is mandatory for any SHG to have certain byelaws pertaining to -

1. Objectives of the group

2. Meetings - time, periodicity

4. Savings - amount, periodicity, rate of interest.

4. Credit - procedure for sanction, ceiling amount, purposes, rate of interest to be charged, repayment period.

5. Fines - defaulters in attending meetings, savings and credit repayment

6. Leadership - election or nomination of leaders, rotation of leaders etc.

7. Personal / Social improvement - minimum literacy to be achieved, social work to be done, convergence of facilities etc.

The norms are further elaborated as follows.

**Meetings: -**

 The group decides the periodicity of the meetings and regular monitoring, attendance of the meeting, punctuality of the members, disciplinary action on errant members etc. Generally, each group meets at least once in a month at a fixed time, some groups meet twice a month to transact their business. The meeting place may be the house of a leader, a common place, a temple, panchayat building etc. Absentee member is liable for fine, which becomes the part of corpus funds of the group.

**Maintenance of registers: -**

Each SHG maintain certain basic register for effective monitoring, accountability and transparency. The register of SHGs includes minute book, attendance register, ledger book, cash book, bank pass book etc. These registers are suggested by promoter (banker, NGO), which may vary from place to place. The details of meetings, proceedings, attendance, member wise savings and credit, bank transactions etc. are verifiable from these registers. The registers are maintained by a book keeper (President / treasurer / literate members), who is paid monthly honorarium for maintaining these registers.

**Pattern of leadership: -**

 Each group shall have leaders, who represent the group matters in various platforms. The nomenclature of leaders varies =from region to region and state to state. The leaders are elected from the members on rotation. Leaders aid to democratic function of the group. The purpose of rotation is to see that the leadership qualities are developed among the members of the group. However, the experience in Andhra Pradesh indicates that the rotation of leadership apparently take place on the prescribed manner. The same leaders continue to hold the office and or influence the leadership.

**Awareness of group: -**

The group will create an awareness among the members and empowerment of members take place. The members will have to know the purpose of group formation, activities and operations, savings, credits etc. The members are expected to participate actively in the group discussion and decision making process. SHG helps to work as a cohesive group and will have transparency in the transactions.

**Group activities: -**

 Savings and credit are the two important dimensions of SHG movement. Regularity in savings and method of dealing with defaulters are the important features of savings. The credit function of SHGs is judged by decision making process adopted credit requirement and quantum of loans sanctioned, system of monitoring credit repayment pattern etc. The group has to monitor their performance regularly.

**Revolving of fund: -**

The SHGs to become eligible for sanction of revolving fund, community investment fund etc. they need to pass through certain stages.

Stage - 1 (Grading of SHG): - The formation stage lasts for 6 months. It is necessary to test whether it has evolved into a good group or not. This helps to understand the weakness of the group and to overcome such deficiencies. Members also evaluate their own performance through a participatory approach.

Stage - 2 (Capacity Building of SHG): - It is a crucial stage to enhance the capacity of groups and enables to receive the revolving fund, which become a part of corpus fund of the group. The external fund received enhances the group capacity to extend loans to the maximum.

**GROWTH OF SHG IN INDIA**

 In early 1990’s the emergence of SHGs has brought in major conceptual changes in assistance to the excluded sectors of economy, such as empowerment, habit of thrift, small loan that brought them out of the clutches of local money lenders, and aided the promotion of micro enterprises. They gained the confidence of bankers through SHG-Bank Linkage Programme, which was initiated by NABARD. The bank also extends Micro Enterprises Development Programme (MEDP) to members of SHG in various areas ranging from preparation of pickles, jam, squash, sweets, fruits and vegetable process. Agro based industries like mushroom cultivation, floriculture, milk products, organic farming, ornamental pisciculture, vermin cultivation, herbal shampoo, manufacturing of products such as bakery, detergent powder, washing and cleaning powder etc. These types of training help them to venture in to economic activity and for a sustained development. In India, within a span of 10 to 15 years, SHGs have produced good results. At the inception stage, there were only 255 SHGs in India. During the last 15 years this number has crossed a mark of one million

**CHAPTER IV**

**DATA ANALYSIS & INTERPRETATION**

**TABLE NO. 4.1**

**AGE WISE CLASSIFICATION**

|  |  |  |
| --- | --- | --- |
| **Particulars** | **No. of respondents** | **Percentage** |
| Below 25 | 9 | 9 |
| 25-35 | 68 | 68 |
| 35-45 | 20 | 20 |
| Above 45 | 3 | 3 |
| **Total** | **100** | **100** |

**Source: Primary Data**

**INTERPRETATION**

Table no.4.1 shows that 68% of the respondents are from the age group of 25 to 35 years. 20% are from the age group of 35 to 45 years, 9% of them belonging to the age group of below 25 years and rest of the respondents are from the age group of above 45 years.

**TABLE NO. 4.2**

**MARITAL STATUS**

|  |  |  |
| --- | --- | --- |
| **Particulars** | **No. of respondents** | **Percentage** |
| Married  | 75 | 75 |
| Unmarried  | 25 | 25 |
| **Total** | **100** | **100** |

**Source: Primary Data**

**INTERPRETATION**

Table no.4.2 shows that 75% of the respondents are married and 25% of the respondents are unmarried.

**TABLE NO. 4.3**

**ENCOURAGEMENT TO START THE GROUP IS RECEIVED FROM**

|  |  |  |
| --- | --- | --- |
| **Particulars** | **No. of respondents** | **Percentage** |
| Bank | 15 | 15 |
| NGO  | 80 | 80 |
| Self- motivated | 5 | 5 |
| **Total** | **100** | **100** |

**Source: Primary Data**

**INTERPRETATION**

Table no.4.3 shows that 80% of the respondents are motivated by NGO’s.15% of the respondents are motivated by bank and 5% of the respondents are motivated by their self.

**TABLE NO. 4.4**

**FACTORS THAT ENCOURAGE WOMEN TO START AND WORK IN THE GROUP**

|  |  |  |
| --- | --- | --- |
| **Particulars** | **No. of respondents** | **Percentage** |
| Self-help and mutual help  | 9 | 9 |
| To maintain good relation with neighbors  | 10 | 10 |
| To utilize locally available resources | 70 | 70 |
| Financial independence | 6 | 6 |
| To develop saving habit | 5 | 5 |
| Any other reasons | 0 | 0 |
| **Total** | **100** | **100** |

**Source: Primary Data**

**CHART NO. 4.1**

**FACTORS THAT ENCOURAGE WOMEN TO START AND WORK IN THE GROUP**

**INTERPRETATION**

Table no.4.4 shows that 70% of the respondents said that utilization of local resources encourage them to start and work in the group. 10% said they want to maintain a good relationship with their neighbors , so they start and work in a group. 9% said self help ad mutual help, 6% said financial independence and 5% of the respondents said that they want to develop saving habit that’s why they star and work in a group.

**TABLE NO. 4.5**

**INTERVAL OF MEETING OF YOUR GROUP**

|  |  |  |
| --- | --- | --- |
| **Particulars** | **No. of respondents** | **Percentage** |
| Weekly  | 70 | 70 |
| Fortnightly  | 25 | 25 |
| Monthly  | 5 | 5 |
| **Total** | **100** | **100** |

**Source: Primary Data**

**CHART NO. 4.2**

**INTERVAL OF MEETING OF YOUR GROUP**

**INTERPRETATION**

Table no.4.5 shows that 70% of the respondents conduct meeting weekly. 25% said that hey conduct meetings fortnightly and rest of them said that they conduct meetings monthly.

**TABLE NO. 4.6**

**REGULAR AGENDA OF THE MEETING**

|  |  |  |
| --- | --- | --- |
| **Particulars** | **No. of respondents** | **Percentage** |
| Thrift collection  | 58 | 58 |
| Loan disbursal  | 25 | 25 |
| Loan repayment  | 17 | 17 |
| **Total** | **100** | **100** |

**Source: Primary Data**

**CHART NO. 4.3**

**REGULAR AGENDA OF THE MEETING**

**INTERPRETATION**

Table no.4.6 shows that 58% of the respondents said that their regular agenda of the meeting is thrift collection. 25% said loan disbursal is their regular agenda while 17% of the respondents said that loan repayment is their regular agenda of meeting.

**TABLE NO. 4.7**

**NATURE OF PARTICIPATION IN MEETING**

|  |  |  |
| --- | --- | --- |
| **Particulars** | **No. of respondents** | **Percentage** |
| Full participation  | 100 | 100 |
| Majority participation  | 0 | 0 |
| **Total** | **100** | **100** |

**Source: Primary Data**

**CHART NO. 4.4**

**NATURE OF PARTICIPATION IN MEETING**

**INTERPRETATION**

Table no.4.7 shows that the entire respondents said that full members participate in the meeting.

**TABLE NO. 4.8**

**MAJOR PROBLEM YOU ENCOUNTER WITH GROUP FUNCTIONING**

|  |  |  |
| --- | --- | --- |
| **Particulars** | **No. of respondents** | **Percentage** |
| Passive attitude of members | 29 | 29 |
| Difference of opinion among members | 40 | 40 |
| Default in loan repayment | 21 | 21 |
| All the above | 10 | 10 |
| **Total** | **100** | **100** |

**Source: Primary Data**

**CHART NO. 4.5**

**MAJOR PROBLEM YOU ENCOUNTER WITH GROUP FUNCTIONING**

**INTERPRETATION**

Table no.4.8 shows that 40% of the respondents said that difference of opinion among members is the major problem that they encounter with group functioning. 29% said passive attitude of members is the reason, 21% said default in loan repayment and 10% of them said that all the above are the major problem that they encounter with group functioning.

**TABLE NO. 4.9**

**AMOUNT BORROWED BY THE SHG**

|  |  |  |
| --- | --- | --- |
| **Particulars** | **No. of respondents** | **Percentage** |
| Yes  | 90 | 90 |
| No | 10 | 10 |
| **Total** | **100** | **100** |

**Source: Primary Data**

**CHART NO. 4.6**

**AMOUNT BORROWED BY THE SHG**

**INTERPRETATION**

90% of the respondents borrowed amount from SHG. 10% of the respondents never borrowed amount from SHG.

**TABLE NO. 4.10**

**REGULAR AGENDA OF THE MEETING**

|  |  |  |
| --- | --- | --- |
| **Particulars** | **No. of respondents** | **Percentage** |
| Micro enterprise  | 57 | 57 |
| Trading activity  | 25 | 25 |
| Agro based | 18 | 18 |
| **Total** | **100** | **100** |

**Source: Primary Data**

**CHART NO. 4.7**

**REGULAR AGENDA OF THE MEETING**

**INTERPRETATION**

Table no.4.10 shows that 57% of the respondents started micro enterprises to generate income. 25% started trading activity and 18% said they started agro based activity in order to generate income.

**TABLE NO. 4.11**

**KNOWLEDGE ABOUT THE NEED FOR DEVELOPMENT OF WOMEN**

|  |  |  |
| --- | --- | --- |
| **Particulars** | **No. of respondents** | **Percentage** |
| Strongly agree  | 45 | 45 |
| Agree  | 30 | 30 |
| Neutral  | 17 | 17 |
| Disagree  | 5 | 5 |
| Strongly disagree  | 3 | 3 |
| **Total** | **100** | **100** |

**Source: Primary Data**

**CHART NO. 4.8**

**KNOWLEDGE ABOUT THE NEED FOR DEVELOPMENT OF WOMEN**

**INTERPRETATION**

Table no.4.7 shows that 45% of the respondents strongly agreed that they are aware of the need for development of women. 30% agreed, 17% have neutral opinion, 5% of the respondents disagreed and 3% of them strongly disagreed.

**TABLE NO. 4.12**

**KNOWLEDGE ABOUT EDUCATION, HEALTH AND ENVIRONMENTAL MATTERS**

|  |  |  |
| --- | --- | --- |
| **Particulars** | **No. of respondents** | **Percentage** |
| Strongly agree  | 25 | 25 |
| Agree  | 36 | 36 |
| Neutral  | 20 | 20 |
| Disagree  | 10 | 10 |
| Strongly disagree  | 9 | 9 |
| **Total** | **100** | **100** |

**Source: Primary Data**

**CHART NO. 4.9**

**KNOWLEDGE ABOUT EDUCATION, HEALTH AND ENVIRONMENTAL MATTERS**

**INTERPRETATION**

Table no.4.12 shows that 36% of the respondents agreed that they have knowledge about need for education, health and environmental matters. 25% of them strongly agreed, 20% have neutral, 10% disagreed and 9% of them strongly disagreed.

**TABLE NO. 4.13**

**RECOGNITION IN FAMILY**

|  |  |  |
| --- | --- | --- |
| **Particulars** | **No. of respondents** | **Percentage** |
| Strongly agree  | 100 | 100 |
| Agree  | 0 | 0 |
| Neutral  | 0 | 0 |
| Disagree  | 0 | 0 |
| Strongly disagree  | 0 | 0 |
| **Total** | **100** | **100** |

**Source: Primary Data**

**CHART NO. 4.10**

**RECOGNITION IN FAMILY**

**INTERPRETATION**

The entire respondents strongly agreed that they got recognition in family.

**TABLE NO. 4.14**

**HUSBAND GIVES VALUE FOR MY WORDS**

|  |  |  |
| --- | --- | --- |
| **Particulars** | **No. of respondents** | **Percentage** |
| Strongly agree  | 75 | 75 |
| Agree  | 15 | 15 |
| Neutral  | 10 | 10 |
| Disagree  | 0 | 0 |
| Strongly disagree  | 0 | 0 |
| **Total** | **100** | **100** |

**Source: Primary Data**

**CHART NO. 4.11**

**HUSBAND GIVES VALUE FOR MY WORDS**

**INTERPRETATION**

Table no.4.14 shows that 75% of the respondents strongly agreed that their husband gives value for their words. 15% agreed and 10% of the respondents have neutral opinion.

**TABLE NO. 4.15**

**CAN INFLUENCE THE DECISION OF OTHERS**

|  |  |  |
| --- | --- | --- |
| **Particulars** | **No. of respondents** | **Percentage** |
| Strongly agree  | 58 | 58 |
| Agree  | 22 | 22 |
| Neutral  | 18 | 18 |
| Disagree  | 2 | 2 |
| Strongly disagree  | 0 | 0 |
| **Total** | **100** | **100** |

**Source: Primary Data**

**CHART NO. 4.12**

**CAN INFLUENCE THE DECISION OF OTHERS**

**INTERPRETATION**

Table no.4.15 shows that 58% of the respondents strongly agreed that they can influence the decision of others. 22% of them agreed, 18% of them have neutral opinion and 2% of the respondents disagreed.

**TABLE NO.4.16**

**LESS BURDEN OF WORK IN THE FAMILY**

|  |  |  |
| --- | --- | --- |
| **Particulars** | **No. of respondents** | **Percentage** |
| Strongly agree | 20 | 20 |
| Agree  | 30 | 30 |
| Neutral  | 9 | 9 |
| Disagree  | 28 | 28 |
| Strongly disagree | 13 | 13 |
| **Total**  | **100** | **100** |

**Source: primary data**

**CHART NO.4.13**

**LESS BURDEN OF WORK IN THE FAMILY**

**INTERPRETATION**

The above table shows that 30% of the respondents agreed that they have less burden of work in their family, 28% are disagreed, 20% are strongly agreed, 13% are strongly disagreed and 9% of them have no opinion.

**TABLE NO.4.17**

**CHANGE IN NATURE OF THE ROLE AND RESPONSIBILITY IN THE FAMILY**

|  |  |  |
| --- | --- | --- |
| **Particulars** | **No. of respondents** | **Percentage** |
| Strongly agree | 50 | 50 |
| Agree  | 30 | 30 |
| Neutral  | 5 | 5 |
| Disagree  | 9 | 9 |
| Strongly disagree | 6 | 6 |
| **Total**  | **100** | **100** |

**Source: primary data**

**CHART NO. 4.14**

**CHANGE IN NATURE OF THE ROLE AND RESPONSIBILITY IN THE FAMILY**

**INTERPRETATION**

The above table shows that 50% of the respondents are strongly agreed that their nature of the role and responsibility in the family has changed, 30% are agreed, 9% are disagreed, 6% are strongly disagreed and 5% of them have no opinion.

**TABLE NO.4.18**

**IMPROVEMENT IN COMMUNICATION SKILL**

|  |  |  |
| --- | --- | --- |
| **Particulars** | **No. of respondents** | **Percentage** |
| Strongly agree | 30 | 30 |
| Agree  | 40 | 40 |
| Neutral  | 4 | 4 |
| Disagree  | 15 | 15 |
| Strongly disagree | 11 | 11 |
| **Total**  | **100** | **100** |

**Source: primary data**

**CHART NO. 4.15**

**IMPROVEMENT IN COMMUNICATION SKILL**

**INTERPRETATION**

The above table shows that 40% of the respondents agreed that their communication skill has improved, 30% are strongly agreed, 15% are disagreed, 11% are strongly disagreed and 4% of them have no opinion.

**TABLE NO.4.19**

**PARTICIPATION IN DECISION MAKING IN AND OUTSIDE FAMILY**

|  |  |  |
| --- | --- | --- |
| **Particulars** | **No. of respondents** | **Percentage** |
| Strongly agree | 25 | 25 |
| Agree  | 30 | 30 |
| Neutral  | 15 | 15 |
| Disagree  | 20 | 20 |
| Strongly disagree | 10 | 10 |
| **Total**  | **100** | **100** |

**Source: primary data**

**CHART NO. 4.16**

**PARTICIPATION IN DECISION MAKING IN AND OUTSIDE FAMILY**

**INTERPRETATION**

The above table shows that 40% of the respondents agreed that they are participating in decision making in and outside family, 25% are strongly agreed, 20% are disagreed, 15% have no opinion and 10% of them are strongly disagreed.

**TABLE NO.4.20**

**ABLE TO REACT AGAINST ANY SOCIAL EVIL EXISTING AGAINST WOMEN**

|  |  |  |
| --- | --- | --- |
| **Particulars** | **No. of respondents** | **Percentage** |
| Strongly agree | 50 | 50 |
| Agree  | 30 | 30 |
| Neutral  | 6 | 6 |
| Disagree  | 9 | 9 |
| Strongly disagree | 5 | 5 |
| **Total**  | **100** | **100** |

**Source: primary data**

**CHART NO. 4.17**

**ABLE TO REACT AGAINST ANY SOCIAL EVIL EXISTING AGAINST WOMEN**

**INTERPRETATION**

The above table shows that 50% of the respondents strongly agreed that they are able to react against any social evil existing against women, 30% are agreed, 9% are disagreed, 6% are neutral and 5% of them are strongly disagreed.

**TABLE NO.4.21**

**ABLE TO FIGHT AGAINST DOWRY SYSTEM OR ANY OTHER INJUSTICE**

|  |  |  |
| --- | --- | --- |
| **Particulars** | **No. of respondents** | **Percentage** |
| Strongly agree | 45 | 45 |
| Agree  | 31 | 31 |
| Neutral  | 4 | 4 |
| Disagree  | 12 | 12 |
| Strongly disagree | 8 | 8 |
| **Total**  | **100** | **100** |

**Source: primary data**

**CHART NO. 4.18**

**ABLE TO FIGHT AGAINST DOWRY SYSTEM OR ANY OTHER INJUSTICE**

**INTERPRETATION**

The above table shows that 45% of the respondents strongly agreed that they are able to fight against dowry system or any other injustice, 31% are agreed, 12% are disagreed, 8% are strongly disagreed and 4% of them have no opinion.

**TABLE NO.4.22**

**INCREASE IN LEVEL OF INCOME**

|  |  |  |
| --- | --- | --- |
| **Particulars** | **No. of respondents** | **Percentage** |
| Strongly agree | 32 | 32 |
| Agree  | 41 | 41 |
| Neutral  | 8 | 8 |
| Disagree  | 10 | 10 |
| Strongly disagree | 9 | 9 |
| **Total**  | **100** | **100** |

**Source: primary data**

**CHART NO. 4.19**

**INCREASE IN LEVEL OF INCOME**

**INTERPRETATION**

The above table shows that 41% of the respondents agreed that their level of income has increased, 32% are strongly agreed, 10% are disagreed, 9% are strongly disagreed and 8% of them have no opinion.

**TABLE NO.4.23**

**INCREASE IN SAVINGS**

|  |  |  |
| --- | --- | --- |
| **Particulars** | **No. of respondents** | **Percentage** |
| Strongly agree | 24 | 24 |
| Agree  | 36 | 36 |
| Neutral  | 4 | 4 |
| Disagree  | 20 | 20 |
| Strongly disagree | 16 | 16 |
| **Total**  | **100** | **100** |

**Source: primary data**

**CHART NO. 4.20**

**INCREASE IN SAVINGS**

**INTERPRETATION**

The above table shows that 36% of the respondents agreed that their savings has increased, 24% are strongly agreed, 20% are disagreed, 16% are strongly disagreed and 4% of them are neutral.

**TABLE NO.4.24**

**FREEDOM TO USE THE FUNDS FOR MEETING PERSONAL NEEDS**

|  |  |  |
| --- | --- | --- |
| **Particulars** | **No. of respondents** | **Percentage** |
| Strongly agree | 25 | 25 |
| Agree  | 34 | 34 |
| Neutral  | 9 | 9 |
| Disagree  | 18 | 18 |
| Strongly disagree | 14 | 14 |
| **Total**  | **100** | **100** |

**Source: primary data**

**CHART NO. 4.21**

**FREEDOM TO USE THE FUNDS FOR MEETING PERSONAL NEEDS**

**INTERPRETATION**

The above table shows that 34% of the respondents agreed that they have the freedom to use the funds for meeting personal needs, 25% are strongly agreed, 18% are disagreed, 14% are strongly disagreed and 9% of them have no opinion.

**TABLE NO.4.25**

**HAVING FREEDOM TO DECIDE OWN VOTE**

|  |  |  |
| --- | --- | --- |
| **Particulars** | **No. of respondents** | **Percentage** |
| Strongly agree | 50 | 50 |
| Agree  | 30 | 30 |
| Neutral  | 6 | 6 |
| Disagree  | 9 | 9 |
| Strongly disagree | 5 | 5 |
| **Total**  | **100** | **100** |

**Source: primary data**

**CHART NO. 4.22**

**HAVING FREEDOM TO DECIDE OWN VOTE**

**INTERPRETATION**

The above table shows that 50% of the respondents strongly agreed that they have freedom to decide their own vote, 30% are agreed, 9% are disagreed, 6% are neutral and 5% of them are strongly disagreed.

**TABLE NO.4.26**

**USED TO PARTICIPATE IN GRAMASABHA MEETING**

|  |  |  |
| --- | --- | --- |
| **Particulars** | **No. of respondents** | **Percentage** |
| Strongly agree | 30 | 30 |
| Agree  | 35 | 35 |
| Neutral  | 10 | 10 |
| Disagree  | 15 | 15 |
| Strongly disagree | 10 | 10 |
| **Total**  | **100** | **100** |

**Source: primary data**

**CHART NO.4.23**

**USED TO PARTICIPATE IN GRAMASABHA MEETING**

**INTERPRETATION**

The above table shows that 35% of the respondents are agreed that they are used to participate in gramasabha meeting, 30% of them are strongly agreed, 15% are disagreed, 10% are strongly disagreed and 10% of them have no opinion.

**TABLE NO.4.27**

**GO FOR ELECTION CAMPAIGNING AND HAD AN EXPERIENCE IN CONTESTING IN ELECTION**

|  |  |  |
| --- | --- | --- |
| **Particulars** | **No. of respondents** | **Percentage** |
| Strongly agree | 20 | 20 |
| Agree  | 30 | 30 |
| Neutral  | 9 | 9 |
| Disagree  | 28 | 28 |
| Strongly disagree | 13 | 13 |
| **Total**  | **100** | **100** |

**Source: primary data**

**CHART NO.4.24**

**GO FOR ELECTION CAMPAIGNING AND HAD AN EXPERIENCE IN CONTESTING IN ELECTION**

**INTERPRETATION**

The above table shows that 30% of the respondents agreed that they go for election campaigning and had an experience n contesting in election, 28% are disagreed, 20% are strongly agreed, 13% are strongly disagreed and 9% of them have no opinion.

**CHAPTER – V**

**FINDINGS, SUGGESTIONS AND CONCLUSION**

**5.1 FINDINGS**

* 68% of the respondents are from the age group of 25 to 35 years.
* 75% of the respondents are married
* 80% of the respondents are motivated by NGO’s.
* 70% of the respondents said that utilization of local resources encourage them to start and work in the group.
* 70% of the respondents conduct meeting weekly.
* 58% of the respondents said that their regular agenda of the meeting is thrift collection.
* The entire respondents said that full members participate in the meeting.
* 40% of the respondents said that difference of opinion among members is the major problem that they encounter with group functioning.
* 90% of the respondents borrowed amount from SHG.
* 57% of the respondents started micro enterprises to generate income.
* 45% of the respondents strongly agreed that they are aware of the need for development of women.
* 36% of the respondents agreed that they have knowledge about need for education, health and environmental matters.
* The entire respondents strongly agreed that they got recognition in family.
* 75% of the respondents strongly agreed that their husband gives value for their words.
* 58% of the respondents strongly agreed that they can influence the decision of others.
* 30% of the respondents agreed that they have less burden of work in their family
* 50% of the respondents are strongly agreed that their nature of the role and responsibility in the family has changed
* 40% of the respondents agreed that their communication skill has improved
* 40% of the respondents agreed that they are participating in decision making in and outside family
* 50% of the respondents strongly agreed that they are able to react against any social evil existing against women
* 45% of the respondents strongly agreed that they are able to fight against dowry system or any other injustice

**5.2 SUGGESTIONS**

* Though participation of poor in the SHGs is seen improving well, a complete transformation is still a mirage. Local body members and fellow beings must proactively act in bringing them to various SHGs.
* The rates of interest charged by MFIs are higher than what is charged by SHGs and differ with operators. RBI should take stringent measures in ensuring uniform and reasonable rates of interest.
* Members are presumed to be well-versed in banking but in reality they are not. Proper and continuous training by fellow, competent members and need based regular practice will reap fruits.
* General insurance services are much beneficial to the rural community. However, the formalities in connection with the settlement of claims on Crops, Cattle, Poultry etc. may be simplified which appear complex to the common-folk presently. Many of the members, especially from hills found to suffer much in this regard.
* The SHGs should insist an insurance cover on the loans availed by members at the minimum possible cost. The premium may be collected from beneficiaries along with monthly instalments. This will ensure an extra protection to both the parties.
* Though significant positive changes are evident in the political awareness and participation of members, still there are miles to go. Kudumbashree members may make use of their social awareness and empowerment for political achievements.
* Kudumbashree authorities may give freedom to groups in fixing the cap on interest on internal loans, through which a hidden profit will automatically create.

**5.3 CONCLUSION**

Thus, it is concluded that the concept of SHGs for rural women empowerment has not yet run its full course in attaining its objective. Further efforts in refining group characteristics and realigning group objectives can ensure furtherance of effectiveness of SHGs in translating rural women into a more powerful section of the society. The examination results demonstrated that the intercession of small scale account through SHG-Bank Linkage Program has positive effect on ladies strengthening, as far as increment in social mindfulness and support, investment funds propensities, pay level, independent work, resource creation, reimbursement of different obligations, improvement in basic leadership aptitudes and improved nourishment level at their family unit. Smaller scale account through SHG-Bank Linkage Program has empowered poor ladies to get access of different money related items and administrations. The support SHGs are getting through nodal organisation of government like Matsyafed and other NGOs helps them to reach greater heights.The kerala Kudumbashree (SHG) model is benchmarked as model in developing SHG groups in different parts of rural India.The self improvement gathering idea empowered numerous ladies to accomplish social acknowledgment.

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**APPENDIX**

**QUESTIONNAIRE**

Name:

1. Age :
2. Below 25[ ]
3. 25 – 35[ ]
4. 35- 45[ ]
5. Above 45[ ]
6. Marital status:
7. Married[ ]
8. Unmarried [ ]
9. Encouragement to start the group is received from
10. Bank[ ]
11. NGO[ ]
12. Self-motivated[ ]
13. Factors that encourage women to start and work in the group
14. Self help and mutual help[ ]
15. To maintain good relation with neighbors[ ]
16. To utilize locally available resources[ ]
17. Financial independence[ ]
18. To develop saving habit[ ]
19. Any other reasons[ ]
20. What is the interval of meeting of your group?
21. Weekly [ ]
22. Fortnightly[ ]
23. Monthly[ ]
24. What is the regular agenda of the meeting?
25. Thrift collection[ ]
26. Loan disbursal[ ]
27. Loan repayment[ ]
28. Nature of participation in meeting
29. Full participation[ ]
30. Majority participation
31. What is the major problem you encounter with group functioning?
32. Passive attitude of members[ ]
33. Difference of opinion among members[ ]
34. Default in loan repayment[]
35. All the above[ ]
36. Amount borrowed by the SHG?
37. Yes[ ]
38. No[ ]
39. What is the income generating activity undertaken by the group?
40. Micro enterprise[ ]
41. Trading activity[ ]
42. Agro based[ ]

Statements showing the improvement in the status and position of women after joining the group

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| Sl. No, | Statements | SA | A | N | D | SD |
|  | Knowledge about the need for development of women |  |  |  |  |  |
|  | Knowledge about education, health and environmental matters |  |  |  |  |  |
|  | Recognition in family |  |  |  |  |  |
|  | Husband gives value for my words |  |  |  |  |  |
|  | Can influence the decision of others |  |  |  |  |  |
|  | Less burden of work in the family |  |  |  |  |  |
|  | Nature of the role and responsibility in the family changed  |  |  |  |  |  |
|  | Improved communication skills  |  |  |  |  |  |
|  | Participation in decision making in and outside family  |  |  |  |  |  |
|  | Able to react against any social evil existing against women |  |  |  |  |  |
|  | Able to fight against dowry system or any other injustice |  |  |  |  |  |
|  | Level of income increased |  |  |  |  |  |
|  | Increase in savings |  |  |  |  |  |
|  | Freedom to use the funds for meeting personal needs |  |  |  |  |  |
|  | I have freedom to decide my vote |  |  |  |  |  |
|  | I used to participate in grama sabha meeting  |  |  |  |  |  |
|  | I go for election campaigning and had an experience n contesting in election  |  |  |  |  |  |

**ABBREVIATIONS**

ICDS Integrated Child Development Services

IGA Income generating activity

IKP Indira Kranthi Patham

IRDP Integrated Rural Development Program

KCC Kisan Credit Card

KDMS Kudumbashree Mission

KDS Kerala Development Society

LGB Local Governing Bodies

MACS Mutually Aided Cooperative Societies Act

MDG Millennium Development Goal

MFI Micro-Finance Institution

NABARD National Bank for Agriculture and Rural Development

NGO Non-Governmental Organization