

**INSTITUTIONAL DEVELOPMENT AT
GRASSROOTS FOR
POVERTY ALLEVIATION: A STUDY OF SELF HELP GROUPS
IN ANANTHAPUR DISTRICT OF ANDHRA PRADESH**

Thesis submitted to
Sri Krishna Devaraya University
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CERTIFICATE

I certify that this thesis titled INSTITUTIONAL DEVELOPMENT AT GRASSROOTS FOR POVERTY ALLEVIATION : A STUDY OF SELF HELP GROUPS IN ANANTAPUR DISTRICT, ANDHRA PRADESH submitted to Sri Krishna Devaraya University, Anantapur, Andhra Pradesh is a record of independent research work carried out by Mr.R.Divakar, Research Scholar under my supervision and guidance. This has not been previously submitted for the award of any degree, diploma, associationship or other similar title.

Anantapur,

Dt., 28.03.2005

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DECLARATION

I declare that the thesis titled INSTITUTIONAL DEVELOPMENT AT GRASSROOTS FOR POVERTY ALLEVIATION: A STUDY OF SELF HELP GROUPS IN ANANTAPUR DISTRICT, ANDHRA PRADESH is a record of independent research work carried out by me under the supervision and guidance of Dr. K Govindappa, Associate Professor, Department of Rural Development, Sri Krishna Devaraya University, Anantapur, Andhra Pradesh. This has not been previously submitted for the award of any diploma, degree, associationship or other similar title.

Anantapur,

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Dt., 28.03.2005

Preface

I have journeyed through the development sector as Rural Development Officer in Syndicate Bank for 20 years and then as Social Organizer in UNDP sponsored South Asia Poverty Alleviation programme (SAPAP). I visited Pakistan where poverty was identical and came back with determination that our spirit to fight poverty should transcend nations and their boundaries.

I had firm faith in the provision of financial muscle to the poor as the best strategy to reduce poverty. Dr. Govindappa, with whom I had close association as grass roots workers, encouraged me to take up research on the same work, which we were doing in Anantapur district. Both of us had firm faith that community institutions can only sustain and endure the poor in their fight against poverty.

The present research titled “Institutional Development at Grassroots for Poverty Alleviation: A Study of Self Help Groups in Anantapur District of Andhra Pradesh” became a reality with the sincere effort and strong guidance from Dr.Govindappa.

The research work is original and emanated from our practical experience in working with the self-help groups. The indicators are chosen in a participatory spirit and Dr.Govindappa being consultant to Velugu, had practical approach to the study and his practical experience helped me a lot to shape up the study. The pragmatic research is useful for the policy makers and practitioners in tracking the impact of the interventions in the lives of those poor women. It is perhaps unique study in the sense that for the first time a worm’s eye view of SHG participation is scientifically analyzed. It is also unique in the sense that both visible and invisible indicators are measured. Mr.S P Tucker, IAS and Mr.V.Manohar Prasad, IAS, my developmental gurus were also source of inspiration in this work.

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Mr. Papi Reddy, Cluster Coordinator, Velugu, Hindupur and Mr.Mohan, Kodigenhalli have given valuable support in the data collection and I wish to place on record their services. Dr.Amarendra, Technical Specialist, Education, and Mr.Harish Singh, Technical Specialist, Institution Building, CARE STEP, Vizag has given valuable advice while carrying out the study and I thank him profusely for the help. J.Ganesh, my research colleague was of source of inspiration and guidance in carrying out this study and I thank him for the help. Mr. Surya Prakasam, Professional Statistician has been the source of guidance and I profusely thank him for the help.

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CHAPTER : I

INTRODUCTION

Institutional Development at Grass Roots for Poverty Alleviation

Grassroots community based institutions enriched social landscape of rural India from time immemorial. It is coterminous with the advent of civil society as the informal groups stitched to collective expression of will, tried to solve their problems in self and mutual help spirit. The groups got diversified into markets, production and process centers, caste groups and financial institutions. The human collectives were striving hard to improve the quality of life of their fellow human beings fighting against the factors that caused deprivation, suffering and misery.

Civil societies took firm footing in human civilization, motivating the human collectives to work on common good; one of the finest of such examples being the cooperatives of early independent India (*Amarendar, 1999*).

Poverty was their common enemy and to take on the monster like poverty collective human spirit was essential. The evolutionary process in civil societies witnessed formation and withering of social institutions and the changes were very natural, but the thin veneer of ultra poor were no where to go but to peripherally cling to the human collectives at the mercy of the

powerful section of the society. Never in the evolution process, poverty alleviation efforts of the civil society have taken back seat and rather it remained a driving force and common rallying point, at least for the socially and economically down trodden.

The process of social construction is embedded in the interlocking religious, economic and kinship structures which defined the social domains of males and females (*Krishnaiah, 1998*).

Earlier Grass Roots Institutions and their Fight Against Poverty

Joint families especially in rural areas were strong institutions which were melting pot of socio economic culture. Inherent groups with common caste denominators were equally strong but remained as secondary institutions and were logical extensions of joint families. Earliest forms of village panchayats under feudal kings and Zamindars were fairly strong to solve their own civil problems including justice and resource conservation and development.

Young democratic India tried to strengthen the grass roots institutions, the tin pots of civil societies. The intervention logic in fifties was centering around two strong institutions viz. Panchayats and Cooperatives. They were the instruments of civil local governance, community development and welfare. The institutions were secular and were compatible with the upper echelons of civil administration and governance.

But off late, the traditional institutions such as joint family system, patron client relationships and traditional occupation based institutions that provide social security to the poor are breaking down at the grass roots level. At the same time erstwhile young independent Indian institutional models at grass roots were not giving holistic answers. Thus, there is an institutional vacuum at the grass roots level to safe guard the interests of the poor (*Galab, 1999*). The institutional gaps were slowly getting filled by new generation community based organizations such as Self Help Groups (SHG).

Institutional Development Approaches through Social Mobilization: Women and Self Help Groups – Poverty Alleviation and Empowerment

Social Mobilization Redefined

“ Social mobilization is redefined as process of motivating civil society to form collectives for common good ” (*Arunachalam, 1999*). Self Help Groups (SHG), as instruments of social mobilization, has held sway over the lives of the poorest of the poor in the country in general and state of Andhra Pradesh in particular. No other poverty reduction model since Independence had such an awe inspiring effect on the partner house holds, policy makers, line agencies, non governmental organizations (NGO), financial institutions and funding agencies, as has been felt with the women Self Help Groups (SHG). Today effort of every stakeholder, be it government or any other development agencies or community based organizations (CBO) in poverty

reduction are converging into Self Help Groups (SHG) either in urban slums or rural areas. The strategic shift from isolated individual approach to Self Help Institutional approach with group being the epicenter of developmental intervention takes the development paradigm to unique position in our generation of socioeconomic development process (*Puhazhendhi, 2000*).

Prof. Amartya Sen's revolutionary poverty analysis is also coterminous with the silent revolution of SHG and women empowerment movement in the country in general and in Andhra Pradesh state in particular. While Andhra Pradesh led the other states in its bold initiatives in the areas of women empowerment, a silent revolution is also underway where socially functional groups, which started with thrift and credit activity, have now set out to restructure the socio economic relationships in rural areas. The organizational and functional linkages of these groups have inspired the immense potential of human capital to transcend the hitherto restrictive barriers. With the growth of such thrift and credit activities over the entire rural space of the State, new coalitions and networks are also emerging to benefit the rural poor from pooled resources and efforts. This situation demands a paradigm shift in development policy, resource allocation and mechanics of delivery systems. Efforts are being made to develop a facilitating environment where such disparate groups and coalitions can give unique expressions to their collective will, effort and wisdom (*NABARD, 2004*).

It is paradoxical but true that Self Help Institutions of the poor emerged strongly, this time, owned and initiated by women, but well supported by men folk, the paradigm shift calling for attention of the researchers to technically analyze the operational cycles of such groups and the impact they have made in the socio economic lives of the poor and the poorest as delineated in the PIP process.

The SHG movement is coterminous with the PIP and makes an interesting social laboratory for all of us to probe further and assist the programme designers to improve upon the delivery mechanisms to accurately touch upon the most vulnerable (*Satya Sai, 1999*).

The Self Help Groups (SHG) have gained momentum for the past 15 years coming to the present shape and is coterminous with the socio-economic mobilization, institutional development and women empowerment process. The 15 years of experience in working with the Self Help Groups (SHG) by various stake holders like District Rural Development Agencies (DRDA), NGOs, Bankers and other community based micro finance institutions (CB MFIs) has left an imprint to be studied and researched for its impact and measured for the depth of the change it has brought in the lives of the poor.

The intervention methodology, design, out reach and level of participation by the internal stakeholders need critical analysis leading to suggestions on improved programme design, content and operationalization. In the wake of mammoth development, the weaknesses tend to be

underplayed (*Saran gal, 2003*). This is more so important when the State Government of Andhra Pradesh is investing huge funds on further supporting the women empowerment programme. The secondary support structures are fast being institutionalized as net works of Self Help Groups (SHG), the most popular model being Mutually Aided Cooperative Societies (MACS) under AP Mutually Aided Cooperative Societies Act 1995.

Accelerating economic growth and creation of an environment for ensuring spread effect of growth have been emphasized, especially during 90s for poverty alleviation. This macro strategy contributes to the emergence of production indivisibilities (*Rao, 1994*). Poor should be able to respond to the stimuli for poverty alleviation (*Vyas and Bhargav, 1995*). But the poor can internalize the production indivisibilities in groups only.

A recent study of FAO observed that until now the Self Help Groups (SHG) operated mainly in rural areas and provided small and short-term loans predominantly for trading and services and micro enterprise activities (*Klien et al, 1997*).

Moreover, the participation of the poor in the planning and implementation of antipoverty programmes is required to reduce the chain of intermediaries between the government and the actual beneficiaries and to improve their bargaining power (*Rao 1994*). Further, the institutions such as joint family system, patron client relationships and traditional occupation based institutions that provide social security to the poor are breaking down at the grass roots level. Thus, there is an institutional vacuum at the grass

roots level to safe guard the interests of the poor (*Galab, 1999*). In this context, there is substantial evidence that organizing women around thrift and credit services is one of the most effective methods, not only for alleviating poverty but also for empowering women (*World Bank, 1995 & 2001*). Thus the macro and micro concerns are given rise to the demand for women based collectives centered on thrift and credit services.

The government of Andhra Pradesh has provided larger scope and space for women self-help groups in this strategy for poverty alleviation and women empowerment. The promotion of women groups under DWCRA programme and adoption of model of South Asia Poverty Alleviation Programme (SAPAP) with suitable improvements to develop and implement Andhra Pradesh District Poverty Initiative Programme (APDPIP) and Andhra Pradesh Rural Poverty Reduction Programme (APRPRP) stand as a testimony to this.

Therefore the contribution of these groups, spread in length and breadth of the state, to poverty alleviation and women empowerment needs critical examination. Since the APDPIP and the APRPRP are spread in the most backward Mandals of the state, they are amenable for the study of their long term impact on poverty and its reduction. In this backdrop, the present research study is to make an attempt to know the following issues.

1. What are the characteristics of the women based group models of poverty alleviation and women empowerment that are being implemented in AP ?

2. How are the poor women organized into groups? And how these groups are functioning ?
3. What is the contribution of these models to poverty alleviation and women empowerment ?

Vision 2020 – Key strategic issues on Poverty Alleviation

Government of Andhra Pradesh has released the vision document for the State of Andhra Pradesh, envisaging the long-term goals to be met by 2020 in the key areas of State performance vis-à-vis the welfare and development approaches. With regards to poverty the key riders of the Vision document are :

1. Efforts to hasten the development process.
2. Encourage human resources development.
3. Mobilization of the poor into Self Help Groups, strengthen and activate them and to intervene in the provision of sustainable and dependable livelihoods and encourage the ongoing efforts in this direction.
4. Reorganize the administration machinery to be sensitive to the poor, recognize their demands and aspirations and help them with utmost sincerity (*Document, Vision 2020, Government of Andhra Pradesh, 1999*).

Self Help and Poverty : Evolution of Poverty Analysis

Poverty is a global phenomena and poverty less society is a myth and does not exist. In India, particularly, for the millions of people living in rural areas, life is neither satisfying nor decent. Hunger and malnutrition menace

their families. Illiteracy forecloses their future. Disease and death visit their villages too often, stay too long and return too soon. What they want is jobs for their survival, food for their families and a future for their children (*Krishnaiah, 2003*).

They want the simple satisfaction of working towards something better – an end to misery and beginning of hope (*Radha Sinha, 1976*).

The global challenge to any civilized society is the social deprivation it harbors, in league with economic deprivation. No other weapon can be more potent than building human capital among the deprived, through sustainable development initiatives.

The conventional definitions of poverty center around incomes and consumption patterns of the poor. The approaches to poverty alleviation also traditionally focused upon creating systems for delivering goods and services to poor households on one hand and providing livelihood opportunities on the other (*NABARD, 2003*).

Poverty and hunger are closely intertwined not only with each other but with a number of other development issues - agriculture, health and HIV / AIDS, women's participation, child labor, and so on. An effort to illuminate some of those connections, highlighting some of the communication strategies being implemented locally, regionally and globally, as well as some of the potential and actual impacts these strategies have on meeting MDG have to be concretized (*Saneesh, 2005*).

Poverty has several dimensions and can be referred to as inability to secure all those conditions that encourage well being particularly, the minimum consumption for life, health and efficiency. There exists strong correlation between poverty and health. Similarly it has direct impact on levels of nutrition, literacy, etc. Perhaps the poverty question is best answered by bringing people into focus and initiating series of participatory processes that aid poor to cope indigence in an effective and sustainable manner (*AP State Focus Paper, 2003*).

Poverty is described as matter of deprivation. The concept of deprivation has evolved through time. Economic development has transformed the economies of the world. Along with the economic development the notion of deprivation and poverty has also evolved (*Ganguli, B N, 1971*). World population races up to five billion mark and nearly half of the human race continues to live largely under conditions of subsistence agriculture and acute poverty. A poverty curtain has descended right across the face of the country, dividing it materially and philosophically into two different worlds, two separate planets, two unequal humanities one embarrassingly rich and the other desperately poor. The struggle to lift this curtain of poverty is certainly the most formidable challenge of our times. (*Mehaboob ul Haque, 1978*) A culture of poverty is being transmitted from generation to generation in India where it is not a pathological deviation from the normal and the normative but the state of affairs and the backwardness

here has often been characterized by a syndrome of collective poverty (*Singh, C.P., 1989*).

International Poverty Line

Economists through out the world have tended to make conservative estimates of work on poverty in order to avoid un-sustained exaggerations of the problems, the methodology has been to establish an International Poverty Line at 75 US\$ based on 1970 US \$ price and then made an attempt to estimate the purchasing power equivalent to that of sum money in terms of a developing country's own currency.

Along with the economic development the notion of deprivation and poverty has also evolved. Deprivation is predicted on social norms and is very much function of time and space. At the beginning of the twentieth century the prevailing notion in developed countries was the failure to meet basic nutritional and biological requirements for the sustenance of life (*Sinha, 2003*).

Rowntree noted that primary poverty is earnings insufficient to obtain minimum necessities for the maintenance of barely minimum efficiency. Townsend stated that poverty must be regarded as general form of relative deprivation, which is the effect of the mal-distribution of resources and that section of the population whose resources are so depressed from the means as to be deprived of enjoying the benefits and participating in the activities which are customary in that society, can be said to be poverty.

Martin Rein adds, poverty can be defined as subsistence, inequality and externality. Subsistence is concerned with the minimum provision needed to maintain health and working capacity. Inequality is concerned with the relative position of the income groups to each other. The concept of poverty must be seen in the context of society as a whole. Externality is concerned with the social consequence of poverty for the rest of the society rather than in terms of the needs of the poor.

Poverty in developing countries can indicate absolute deprivation, infringing on basic sustenance of life; whereas poverty in developed countries can indicate relative deprivation, reference group with higher incomes. Absolute poverty is defined as the inability to attain a minimal standard of living. This perception of minimal standard is however is not fixed but varies across the countries and regions. What is considered to be a necessity in a country may be luxury in another. It suggests that there is relativist component to minimal living items of expenditure, which are in some sense subjective and vary across countries (*Robert S , 1978*).

Millennium Development Goal (MDG) galvanizes world leaders to take action to halve the number of people who suffer from hunger and whose income is less than one dollar a day - prior to 2015. The goals have pinned lot many of its hopes on the on going self help and women empowerment process.

Quantitative Dimensions of Poverty in India

Concept of Poverty Line

The definition of poverty in terms of subsistence level of living is widely accepted. Here poverty is defined as a lack of income to acquire minimum necessities of life, per capita income, per capita consumption expenditure, per capita calorie-food intake and availability of the size of land holding are the main indicators of poverty in different definitions. The poverty line is drawn based on the minimum income or consumption, which is necessary for minimum nutritional flows. Within this country the line varies from rural to urban and from time to time.

Amartya Sen's Poverty Index and traditional head count ratio and Social Mobilization concepts in India.

Quantification of poverty on the basis of poverty line is generally known as Head Count Ratio (H Ratio) also known as the traditional measurement, makes a non discriminatory gross category approach in measuring the people below the poverty line (*Asian Development Review, 1991*).

Within the poverty line the Head Count Ratio, has no discrimination between the poorest and the better off amongst the poor and hence it is non-discriminatory and crude measurement of poverty and lacks necessary refinements.

In view of the above shortcomings of the H ratio Amartya Sen uses the Poverty Index (P- Index) to measure poverty. Here Sen examines the

income shortfall of each person from the poverty line. A weighted norm of the shortfall of income of the poor can be viewed as measure of poverty. Sen says that many systems of weighting are possible. However he uses simple method in which he takes the rank values of the poor in the income rankings as the weights to be put on the income shortfall of different persons within the category of the poor. It is absolute measure of poverty using rank order weight age on the basis of gaps in the income of the poor where more weight per unit is attached to lower incomes (AK Sen, 1973). Professor Amartya Sen was particular that any weight in this regard must satisfy that a poorer person's income shortfall should receive a higher weight age than the income shortfall of a person who is richer than the first person despite being below the poverty line.

The "Task Force of Minimum Needs and Effective Demands" define the concept of poverty accepted by the planning commission. According to the report, the poverty line concept hinges on per capita monthly expenditure of Rs.49.09 and Rs.56.64 for rural and urban areas respectively corresponding to the calories requirement of 2400 and 2100 for rural and urban respectively per capita per day.

Participatory Identification of the Poor (PIP) and Self Help Strategy

Society for Elimination of Rural Poor (SERP), Hyderabad, AP, initiated the exercise of participatory identification of the poor; The need for the exercise became essential for SERP as they have to administer the World

Bank grant assistance in the shape of Common Investment Fund (CIF). The programmatic commitment of SERP is the CIF that goes to the poorest of the poor in the rural habitations for income generating purposes with matching grant and institutional credit along with the down payment of the household, so as to identify the activity for poor.

The identification process has its roots in P index proposed by Professor Amartya Sen, which argues that mere Below Poverty Line (BPL) indicator, which is non-discriminatory gross approach, cannot pinpoint the vulnerability of the poorest and poor categories specific to individual vulnerable families in a habitation.

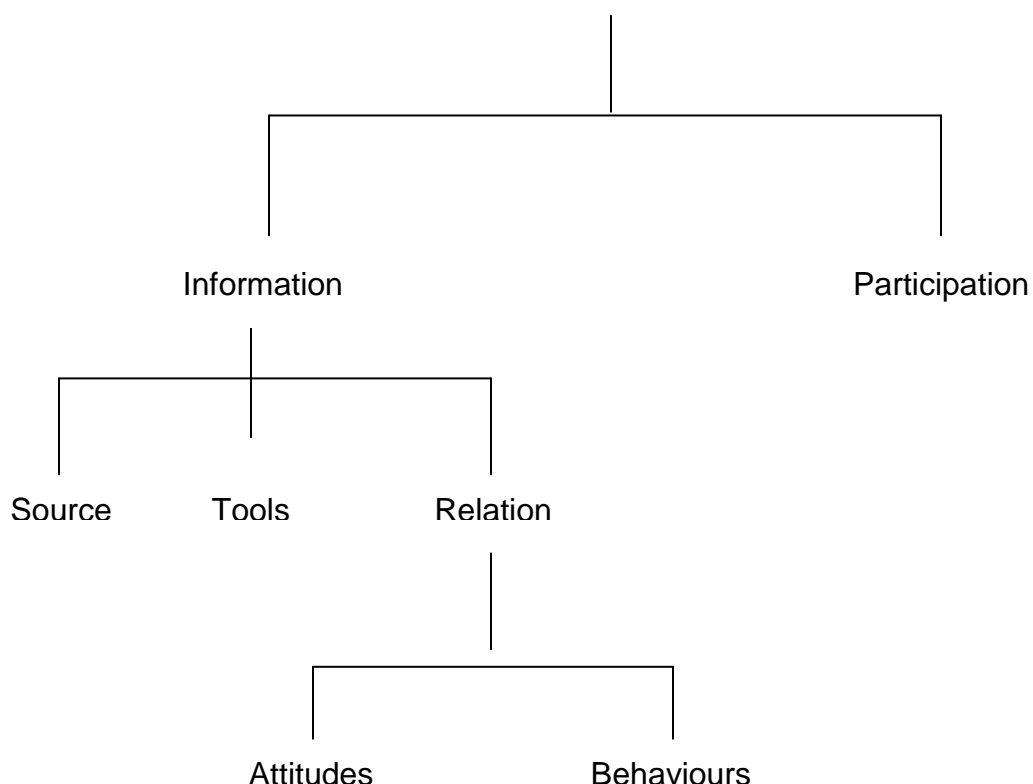
In SERP, the above analysis has a premise that the community is stratified into 4 categories viz.

- Non poor families
- Not so poor families
- Poor families
- Poorest of the poor families

The categorization is with the assumption that the past government programmes and schemes were non discriminatory without thrust on the most vulnerable within the BPL category. Moreover the BPL families are identified based on income and expenditure indicators. But the most critical factors in the identification of the poor like experience of the villagers and their own awareness about life conditions are not factored in. In a way the

task of identification of the poorest of the poor in the village is externalized from the village poor themselves. Consequently in many occasions the most deserving poor and the poorest categories are not finding place in such programmes. To redress the shortcomings and zero down to the most vulnerable families of the village, based on the well being analysis, a participatory methodology for the identification of the poor is designed within the framework of indicators employed in the BPL survey (*SERP 2001*).

Figure : 1 : Participatory Identification of the Poor (PIP)



Through the PIP process, social map of the village and the vulnerability matrix, both social and economic, are captured. The social vulnerability has indicators like bonded labor, agriculture labor, migration,

artisans and child labor. The social indicators of the vulnerability survey physical inability, joginies (unwedded mothers), destitute families, women headed families and old people without support base. Based on the “ *Well being analysis* ”, the poorest of the poor and the poor families are identified. It is logically concluded with the approval of the Grama Sabha of the Village Panchayat. The details of the village poverty canvass are captured in the following matrix.

Matrix : I : Vulnerability map - Depicts household wise economic and social vulnerability through specific indicators.

Matrix : II : Differently abled persons Details of the persons who are differently abled

Matrix : III : Well being Analysis (I) with classification of families as (a) Poorest of the poor, (b) Poor, (c) Not so poor and (d) Non poor (middle class and above)

Matrix : IV : Social mapping – It is thumb nail sketch of the entire habitation about demographic characters, physical assets like housing, physical infrastructure like roads, drinking water, economic resources, different institutions, livestock, and regional information. It also indicates the availability of each common property resources of the habitation vis-à-vis its users in the village. In addition to economic awareness, it also depicts the social stratification as per the dwelling houses and the exploitation of the poor by different privileged classes of the community.

Matrix : V : Well being analysis (II) - Overall village details vis-à-vis the no., of house holds in the poorest of the poor, poor, not so poor and non-poor.

The PIP tools employed by SERP are pre-tested and approved by the World Bank. Incidentally the World Bank claims it as 'the world's biggest participatory identification of the poor' involving 6.4 million people in the rural AP spread across 863 Mandals in 22 districts with 2.9 million households.

Critical Analysis of the PIP

Participatory Identification of the Poor as a process in classifying the households in a habitation with discriminatory stratification into the poorest of the poor, poor, not so poor and non-poor is much more sophisticated. It is also specific to the habitation unlike the gross approach of the traditional H-Ratio. It is the village population in a participatory way who have identified their own peers in the continuum of vulnerability and hence less subjective or biased. It is intrinsic and not extrinsic.

It is the domesticated BPL and much nearer to the Sen's P ratio concept. It is a process and not a product in itself. But in practical situation the PIP process is highly dependent on the skill of the appraiser. In anticipation of benefits, the not so poor and non poor prevail upon the process and pressurize to include their names in the poorest of the poor and the poor categories. This might have further marginalized the really deserving bottom poor. The process received lot of criticism also and a revision process was unveiled to take corrective steps in each village. It is

also agreed that the PIP process is to be perfected over a project cycle of 3 to 5 years.

Surprisingly the PIP findings lifted the figures further high with nearly 62% rural households in AP State projected in the poor and the poorest categories that are bottom of the BPL households. The reasons attributed to the higher per centage of households located in the Poor and Poorest segments, are, the anxiety of the community to project starker picture of the poverty to be in the focus area of programmatic interventions of Velugu and the acute drought situations at the time of the PIP process.

It is accepted that the PIP is a process and not a product and refinement requires at least 3 to 4 cycles of such surveys spanning over 5 years. However, the PIP as a process is the most important and critical exercise in the operationalization of the biggest poverty alleviation programme sponsored by Andhra Pradesh state and financed by the World Bank. The critical gaps in the implementation need to be addressed and improved upon as an “action – reflection - action process”.

**Magnitude of Poverty in Andhra Pradesh :
a premise for Self Help Promotion**

The provisional findings of Below Poverty Line survey for IX Five Year Plan (1997-2002) carried out by Government of Andhra Pradesh reveal that out of 10.44 million rural households in AP 39.91 per cent are below poverty line. Nearly 42 per cent of rural poor households belong to Scheduled Castes

(31.0 per cent) and Scheduled Tribes (11.1 per cent) only, 6.87 per cent of poor households are headed by women and another 2.9 per cent by differently abled person families. Other castes constitute 19.27 per cent of the poor (*Rural Development, Commissionerate, GoAP, 2000*).

Analysis of spatial distribution of poor reveals that large concentration is in mid coastal region comprising East Godavari, West Godavari, Krishna, Guntur and Prakasam districts, which account for 29.07 per cent of poor households. Rayalaseema districts contribute 24.89 per cent of rural poor and Telangana districts 46.04 per cent. However Mehaboob Nagar (45 per cent), Adilabad (44per cent), Ananthapur (47per cent) and Kurnool (43.6 per cent) districts have highest proportion of low-income households closely followed by Khammam, Karim Nagar and Nalgonda (43 per cent each) (IX Five Year Plan, 2002). Poor asset base coupled with dependence on farm operations continue to dog the livelihood opportunities for poor in the State. While 42.3 per cent of rural poor families are small and marginal farmers, 8 per cent are rural artisans. The distribution of resource poor households in agriculture sector across the districts shows strong correlation with concentration of BPL families.

Velugu and the Poverty Alleviation and SHG Mission

The Society for Elimination of Rural Poverty (SERP) is State sponsored nodal agency, coordinating the poverty alleviation efforts of the districts and the social mobilization process of the poor. It is funded by the World Bank and works in 22 districts of Andhra Pradesh. The Programme is titled “Andhra Pradesh Rural Poverty Reduction Programme (APRPRP)”, the vernacular name being “Velugu” meaning the “*Light*”. It works closely with the Self Help Groups (SHG) in the process of social mobilization and institutionalization, cap citation and further networking into federation of groups.

The ongoing efforts and the attempt made so far need a close scrutiny to know the impact it has created in the socio economic lives of the primary stakeholders. The impact study gives right leads and strategic suggestions for the operational fine-tuning in this direction. The present study is based on the reaction level evaluation by the members of the partner households

The present study forays into the socio economic indicators of the partner families who are participating in the Self Help Group (SHG) based social mobilization process and the impact that has been created in their socio economic lives before and after seeking the membership in the Self Help Groups (SHGs), as grass root institutional base. The present study on “Institutional Development at Grassroots for Poverty Alleviation” is an attempt in this direction

The exceptional leap of SHG movement deserves a micro study and the focus is especially on micro finance, which has started with savings and

credit and further out reached to Bank linkage programmes. The other key dimension is the micro insurance coverage.

The women Self Help Group (SHG) is now the undisputed community based institutional development paradigm and also the platform for programme delivery. The present study is an attempt to know the different aspects of SHGs to give valuable and strategic clues to the policy makers. The findings of this study will also be useful for researchers and field workers on the programme design and its operationalisation. Ultimately it should answer how a thin veneer of cohesiveness protects them from the exposure to the bitterness of the life struggles.

Redefining Poverty in the Specific Context of Self Help Institutions

The conventional definitions of poverty are based on incomes and consumption patterns of the poor. The approaches to poverty alleviation also traditionally focused upon creating systems for delivering goods and services to poor households on the one hand and providing livelihood opportunities on the other. At times the policy and programmes provided little incentive to poor to become non-poor for the preferential regimen offered in terms of opportunities or amenities are withdrawn the moment they improve their socio economic status.

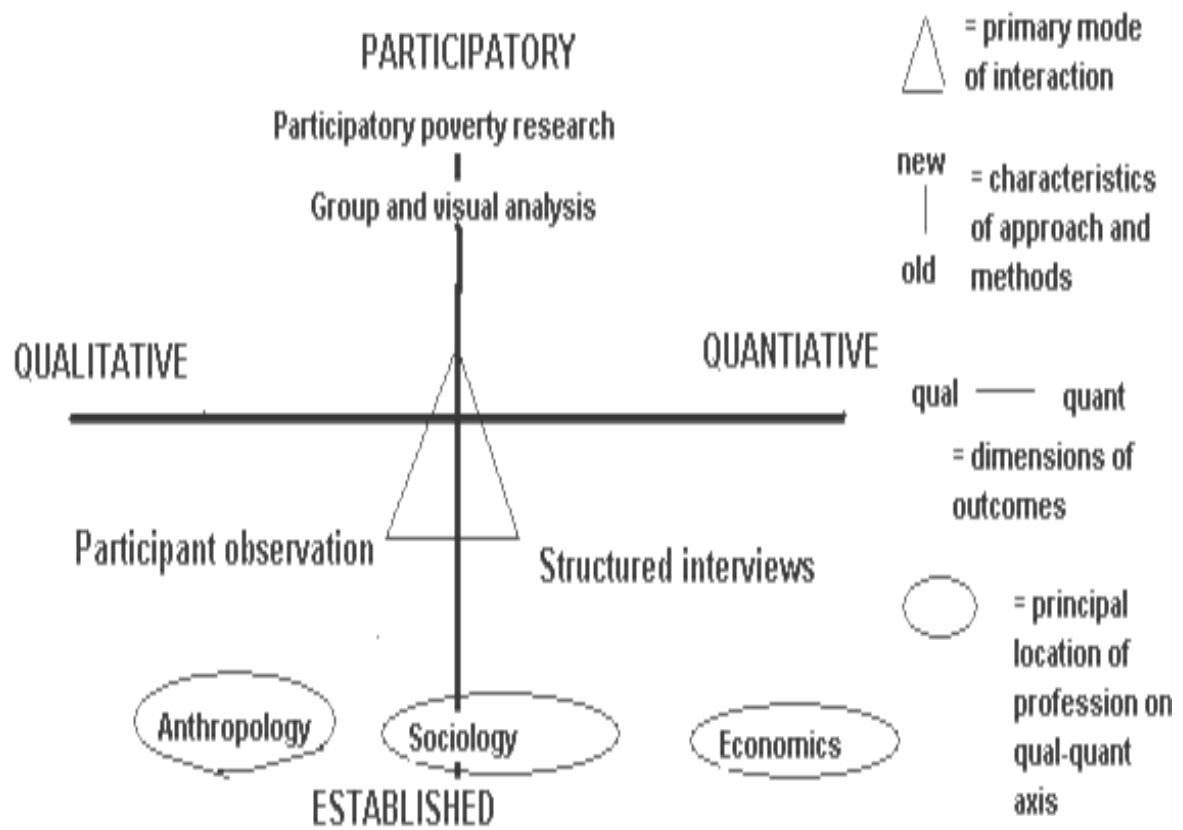
Hence, the point often overlooked is that response to stress conditions by both not so poor and former poor are not very dissimilar from that of poor. Not to poor can serve as reference groups enabling faster and greater peer

learning among poor communities. In fact, they have greater propensity to slide back to poor category unless safety nets are provided to cushion the effect of unfavorable factors. Poverty has several dimensions and can be referred to as inability to secure all those conditions that encourage well being particularly, the minimum consumption for life, health and work efficiency.

There is strong correlation between poverty and health. Similarly it has direct impact on levels of nutrition, literacy etc., Perhaps the poverty question is best answered by bringing people and their faculties into focus and initiating an array of participatory process that aid poor to cope indigence in an effective and sustainable manner.

Economic impoverishment of the poor is partly on account of their inability to control acute imbalances in income and consumption patterns in terms of both seasonality and magnitude when capital stock and other physical resources hardly provide succor. An investigation into indebtedness and debt redemption behavior of poor households reveals struggle for smoothening of fluctuating cash flows. The conduct of credit repayment by most of the poor is surrogate of their thrift behavior. It is believed that their saving habit can only propel their development.

Figure : 2 : Participatory Poverty Research

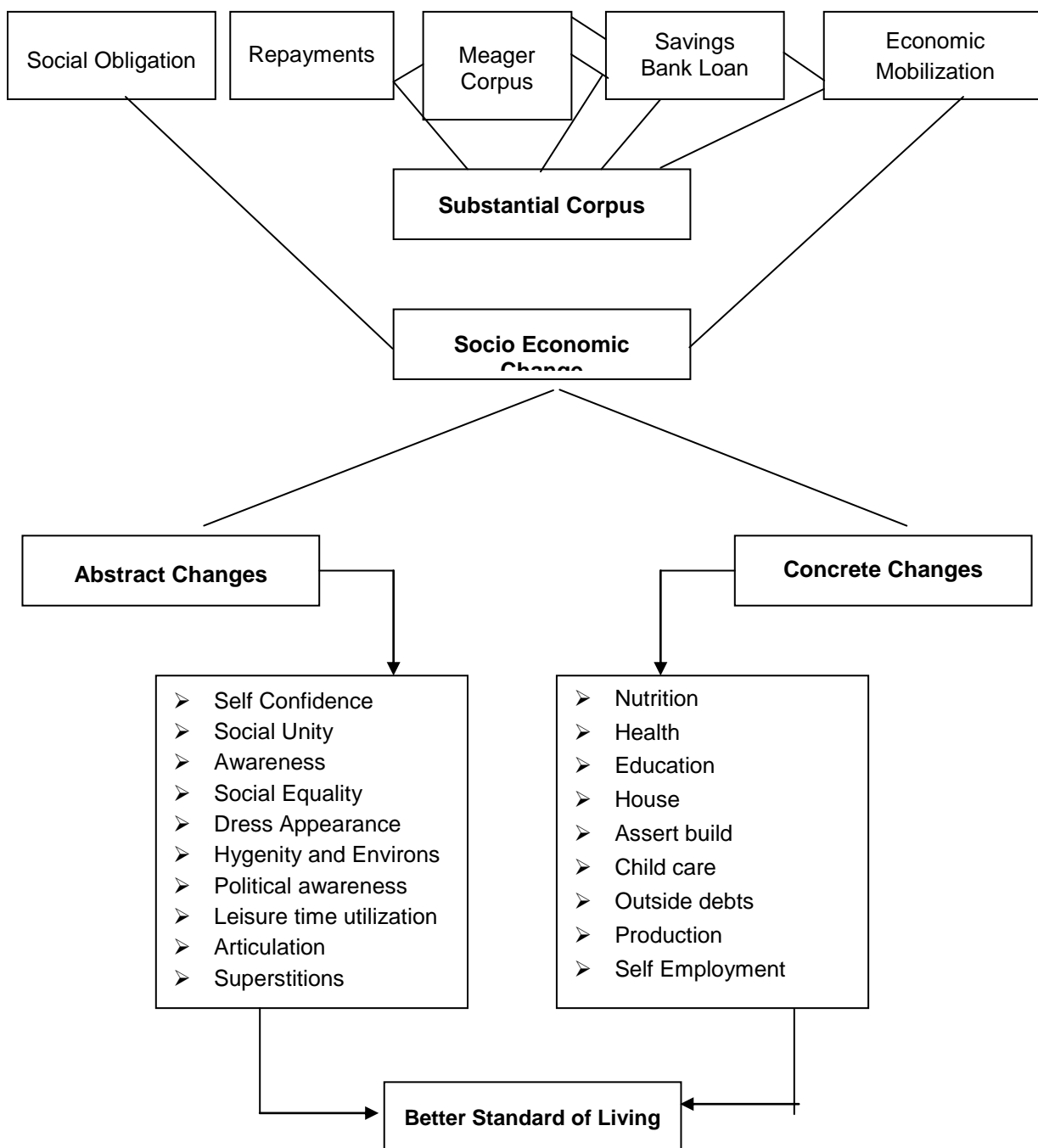


Robert Chambers, 18 April, 01

Conceptual Framework of Microfinance

The following diagrams depict the impact that can be achieved through microfinance:

Figure : 3 : After Thrift What

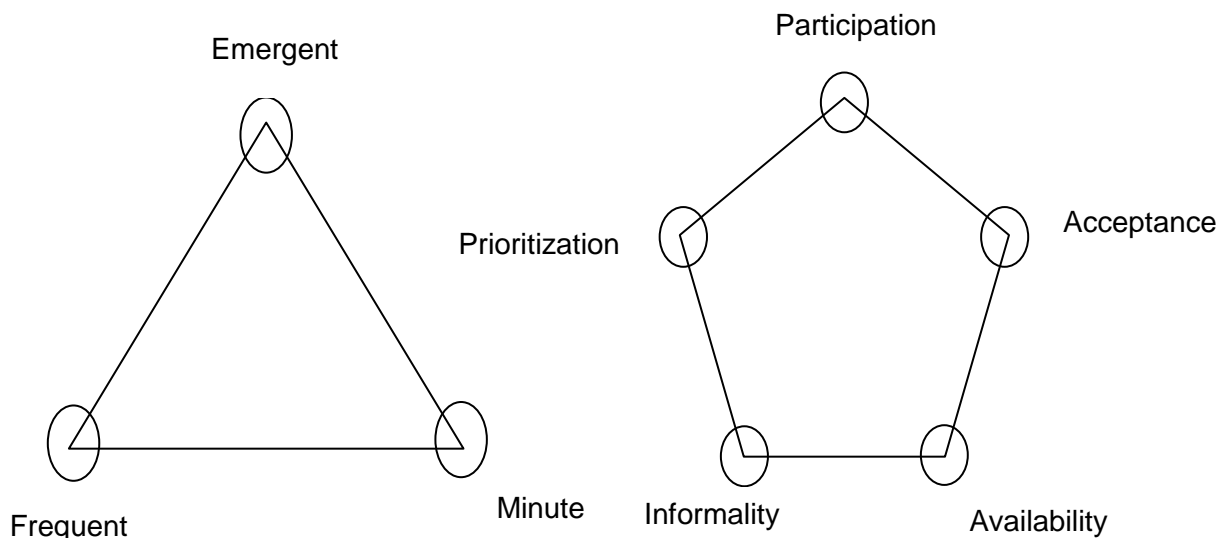


Source: MYRADA, India

The triangle below describes financial needs of the poor, which are emergent, frequent and minute. The pentagon depicts the sustainable micro finance solutions. The paradigm shift from formal activity oriented subsidized lending to internalized stake building approach is how the micro finance moved for the past one decade.

The world has slowly come to the conviction that micro finance offers solutions to the problems of the poor in a more sustained way. It is proverbial – “for the poor, by the poor and of the poor” with a deep rooted stake from the poor.

Figure : 4 : Poverty and Self Help Group Solutions



Banking with Poor : Poverty Triangle

Traditional Paradigm of Interventions with poor

An important issue in the development agenda relates to the provision and delivery of credit and financial services to the poor so that they emerge out of poverty by taking up meaningful productive activities. In the aftermath of bank nationalization in 1969, formal banking sector reached top low-income households mainly through the route of state directed credit programmes. Traditional poverty alleviation paradigm on banking sector manifested in project lending approach that placed particular emphasis on technical feasibility and economic viability aspects of investments. The economic returns from such investments were expected to propel low-income households above the poverty line.

It further presumed that poor prefer self-employment and have necessary managerial ability to readily accept the challenge of occupation mobility. Further that they can acquire the new production and marketing skills with relative ease. This paradox becomes evident when social feasibility angle is ignored as critical factor determining the success of the investment. It is in this context that people's involvement in development process assumes significance. In most of the cases community's role is confined to identification of beneficiaries under directed lending programmes. Another important aspect, which misses the attention of the development planners, is the complete information asymmetry between the banks and the poor. In other words both bankers and borrowers have little information about

each other to develop mutual empathy, so necessary for initiating banking relationship based on trust and confidence.

The inability of the banking sector to provide appropriate saving products for the poor and channelize them to the main stream of rural economy, coupled with history of deviant credit behavior of rural clients under government programmes only sapped the mutual confidence and trust between banks and rural poor (*Micro Credit Summit, 1997*).

Initiatives with the Indian Financial System

CHRONOLOGICAL SUMMARY OF DEVELOPMENT

- 1891 - The earliest cooperative societies established
- 1904 – The first cooperative society's act passed by the state
- 1915 - Mac lagan committee advocates one-village one-coop. concept
- 1928 - Royal commission on agriculture advocates expansion of rural credit with state patronage
- 1931 - Central Banking Enquiry Committee suggests linking agricultural finance with central banking functions
- 1934 - Committee headed by Malcolm darling examines if the operations of commercial banks could be coordinated to the advantage of agriculturists
- 1935 - Agricultural credit department established in the Reserve Bank of India (RBI) to promote cooperative credit
- 1945 - The agricultural finance sub-committee submits its report, recommending liquidation of non-performing assets of members by adjusting the claims of the cooperative to the capacity of members to repay. This marks the first blow to credit discipline
- 1945 -The Cooperative planning committee advocates that the cooperative sector receive state protection from private competition
- 1949 - The rural banking enquiry committee finds that cooperative infrastructure is satisfactory but commercial banks have not shown any significant interest in agricultural and rural credit
- 1954 - All India rural Credit Survey submits report. Advocates majority participation by the state (51 per cent share capital) in cooperatives at all levels; recommends a common cadre for employees of cooperatives and suggests a three tier cooperative structure. Share of informal sources in total rural credit usage is 70 per cent, compared to cooperatives (6.4 per cent) and commercial bank (0.9 per cent)

- 1960 – The Committee on Cooperative Credit proposes a strong and stable institutional framework for cooperatives
- 1969 - Nariman Committee introduces 'Lead Bank Scheme', thereby starting a process of district credit plans and coordination among various formal financial intermediaries
- 1969 - Nationalization of 14 commercial banks
- 1971 - All India Debt and Investment Survey shows that share of the formal financial sector in total rural credit usage is 29.2 per cent compared to 70.8 per cent from informal sources
- 1975 - The concept of Regional Rural Banks (RRBs) advocated overcoming the failure of cooperatives. Agricultural Refinance and Development Corporation set up.
- 1975 - Hazari Committee advocate the integration of short and long term credit structure
- 1976 - National Commission on Agriculture experiments with a new form of cooperative, the Farmers' Service Cooperative, with active collaboration from the commercial banks
- 1980-81 – The government set up the Integrated Rural Development Programme (IRDP) to direct subsidized loans to poor self-employed people through the banking sector. Over almost two decades IRDP extended assistance to about 55 million families
- 1981 - All India Debt and Investment Survey shows that share of the formal financial sector in total rural credit usage is now 61.2 per cent, while informal sources have fallen to 38.8 per cent
- 1982 - The National Bank for Agriculture and Rural Development (NABARD) is set up
- 1982 – The government established Development of Women and Children in

mid-1980s – Savings and credit groups (self-help groups or SHGs) begin emerging all over the country, most catalyzed by non-governmental organizations (NGOs) without the involvement of the state

1989 - The first formal loan waiver announced, seriously impacting credit discipline

1989 - Khusro Committee recommends a more market – oriented approach for cooperatives

1991 - Economic liberalization takes off

1991 – All India Debt and Investment Survey shows that share of the formal financial sector in total rural credit usage is 56.6 per cent, compared to informal finance (39.6 per cent) and unspecified (3.8 per cent)

1991 - Brahm Prakash Committee comes out with a model cooperative societies act, with less state involvement

1991 - Narasimham Committee's Report on the Financial System Suggests, among other things, phasing out concessional rates of interest

1992 - NABARD starts its 'linkage' programme of refinancing and encouraging bank lending to SHGs

1993 – Rashtriya Mahila Kosh (RMK or the National Credit Fund for Women) established to accelerate the flow of credit through NGOs to self-employed women in the unorganized sector. (Until March 2001, RMK had supported close to 1,100 NGOs with disbursements of Rs.72.6 crore (726 million) to benefit 393,000 women

1995 - The Government of Andhra Pradesh passes the new Mutually-aided Cooperative Societies (MACS) Act. granting autonomy to cooperatives

Several states follow suit and pass the new act

Several saving and credit cooperatives in Andhra Pradesh register under the new cooperative act

1996 – RBI deregulates interest rates for small loans (below Rs.2,00,000) by Cooperative and Regional Rural Banks

1996 - R.V. Gupta Committee submits report on the flow of rural credit from commercial banks and suggests freeing interest rates and introducing substantial changes in appraisal methodologies

1998 - Sa-Dhan (The Association of Community Development Finance Institutions) set up by microfinance organizations (Microfinance) in India

1998- The Small Industries Development of Bank of India (SIDBI) sets up a Foundation for Micro credit with initial capital of Rs.100 crore (1,000 million)

1999 - Taskforce on Supportive Policy and Regulatory Framework for Microfinance submits report, signifying a major step towards mainstreaming microfinance

2000 - RBI declares bank lending to Microfinance as part of the priority sector

2001 - By April 2001, 2,85,000 SHGs have taken loans from 41 commercial banks, 166 RRBs and 111 cooperative banks (average loan per group about Rs.18000). During the year 2000-2001, 1,71,000 SHGs taken loans, of which 1,49,000 are first time borrowers

New Paradigm in Banking with the poor –

Self Help Strategy along with Micro finance redefined

Of late micro finance programmes in emerging economies have taken center stage of development effort. Micro Finance is essentially a process to activate and involve civil societies in nation building on the theme of self and mutual help with the aim of endowing poor with resources and confidence to enable them manage their lifestyles and livelihoods on sustainable basis. Micro Finance is perhaps the only socio economic programme that aims at broader range of goals that promote well being of the poor and its philosophy is rooted in human welfare economics.

Micro Finance programmes are generally seen as small loans to poor people for self employment projects that generate income allowing them to care for them selves and other families as well. Micro Finance or credit is also seen as an integral component of anti-poverty programmes. (*NABARD, 2003*). As a result micro finance is equated with credit for micro enterprise in project approach.

However, it has been seen that the credit requirements of rural poor are determined by a complex socio-economic milieu where it is difficult to adapt project lending approach as usually followed by formal credit agencies and where the dividing line between credit for productive and consumptive purposes is blurred (*NABARD, 1991*). It is therefore important that micro credit is not regarded only as credit for micro enterprises, but also cover those credit needs, which are seen as consumption by formal credit

institutions. In fact some of the consumption needs like expenditure towards health care, nutrition etc. contribute to improved productivity of individuals. Further the credit needs of the poor also could be equated with that of pre-micro enterprises rather than micro enterprises as their own labor and indigenous tools are the only capital they employ. Experience has shown that savings or thrift is one very important financial service that the poor always need. Micro credit programmes as such can be positioned based on certain common characteristics listed out in Declaration and Plan of Action of Micro Credit Summit, Washington, 1997, which include :

- Targeting the poorest of the poor
- Organizing the poor into group mode
- Stimulating thrift habit among the poor
- Participation of poor in neighborhood lending processes
- Collateral free loans
- Quick disbursement of small and short term loans
- Market related interest rates
- Default management through peer and moral pressure
- Transparent methods of operation
- Clearly defined responsibilities and accountability of fund managers
- Provision of package of financial and non financial services for the poor

While micro credit summit sought to define micro credit based on its functional characteristics, task force on supportive policy and regulatory

frame work for micro finance (1999) in its recommendations have given a normative definition of micro finance which has been accepted by RBI. Accordingly, micro finance has come to be defined as “provision of thrift, credit and other financial services and products of very small amounts to the poor in rural, semi urban and urban areas for enabling them to raise their income levels and improve living standards.

Status of SHGs in Andhra Pradesh

SHGs have been initiated by NGOs in late 1980s in AP. The women savings and credit movement in AP can be said to have really began in 1995 in Nell ore district as Podupu Laxmi movement post antiliquor campaign by women. This led to large-scale promotion of SHGs in every district of AP. Almost all the groups across the state began monthly individual savings of Rs.30 with each DWACRA group consisting of 15 women. By 2000, DWACRA in Andhra Pradesh became a flagship programme of Government of Andhra Pradesh to implement all its poverty reduction programmes. Andhra Pradesh State government introduced schemes like Deepam (subsidized gas connections for DWACRA women) and state funded Revolving Fund, in addition to the central government schemes. As a result several thousands of groups were formed instantly to access various government schemes. To give further impetus to the DWACRA movement the state government established a separate department called “Women Empowerment and Self Employment” under the Department of Rural Development to focus on

promoting DWCRA groups, increase bank linkage and to promote micro enterprises.

NABARD played a proactive role in sensitizing NGOs, government officials and Bankers on SHG concept and bank linkage. Greater coordination has been witnessed among DRDAs, Banks and NGOs during 1999-2002. NGOs that have internal capacities supported capacity building of DWCRA group members. During 1996 – 2001 UNDP funded poverty alleviation programme was implemented in Mehaboob Nagar, Kurnool and Ananthapur districts with a total outreach of 3200 SHGs. Since 1999 CARE began the implementation of DFID funded project called Credit and Savings for Household Enterprise (CASHE) to support the emergence of quality among SHGs through NGOs and government. Instance of competition among the NGOs, DRDAs and the UNDP were also noticed. In June 2000, World Bank funded District Poverty Initiatives Project (DPIP) was initiated in 6 poorest districts of Andhra Pradesh based on the UNDP experience.

In 2002, the DPIP was scaled up to all the 22 districts of Andhra Pradesh with funding support from World Bank and the project is called AP Rural Poverty Reduction Programme (APRPRP). The official estimate puts it to 3.40 Lakh groups in Andhra Pradesh. The total membership in SHG movement is put to 64 Lakh women and the corpus of the groups is said to have reached Rs.1600 crores through their own savings.

Table : 1 : Position of Bank linkages to SHGs in Andhra Pradesh

Year	No of Groups	Bank Finance
up to 1995	778	201.152
1996-97	434	140.669
1997-98	1,322	317.548
1998-99	6,579	1,274.640
1999-00	29,242	5,494.866
2000-01	84,939	14,316.786
2001-02	1,17,352	26,709.188
2002-03	1,23,548	33,960.660
2003-04	1,86,000	90,300.000

It is interesting to note that out of the 197, 653 new SHGs financed by Banks during 2001-02 in India, 75,939 new SHGs were from AP (38%) Of the 461, 478 SHGs (cumulative) financed by Banks up to March 2002, 240, 646 (52%) are from AP. All the 41, 413 SHGs provided with repeat finance by Banks during 2001 – 2002 are from Andhra Pradesh. This shows that AP is in the lead in all facets of SHG movement vis-à-vis the social mobilization linked women empowerment programme.

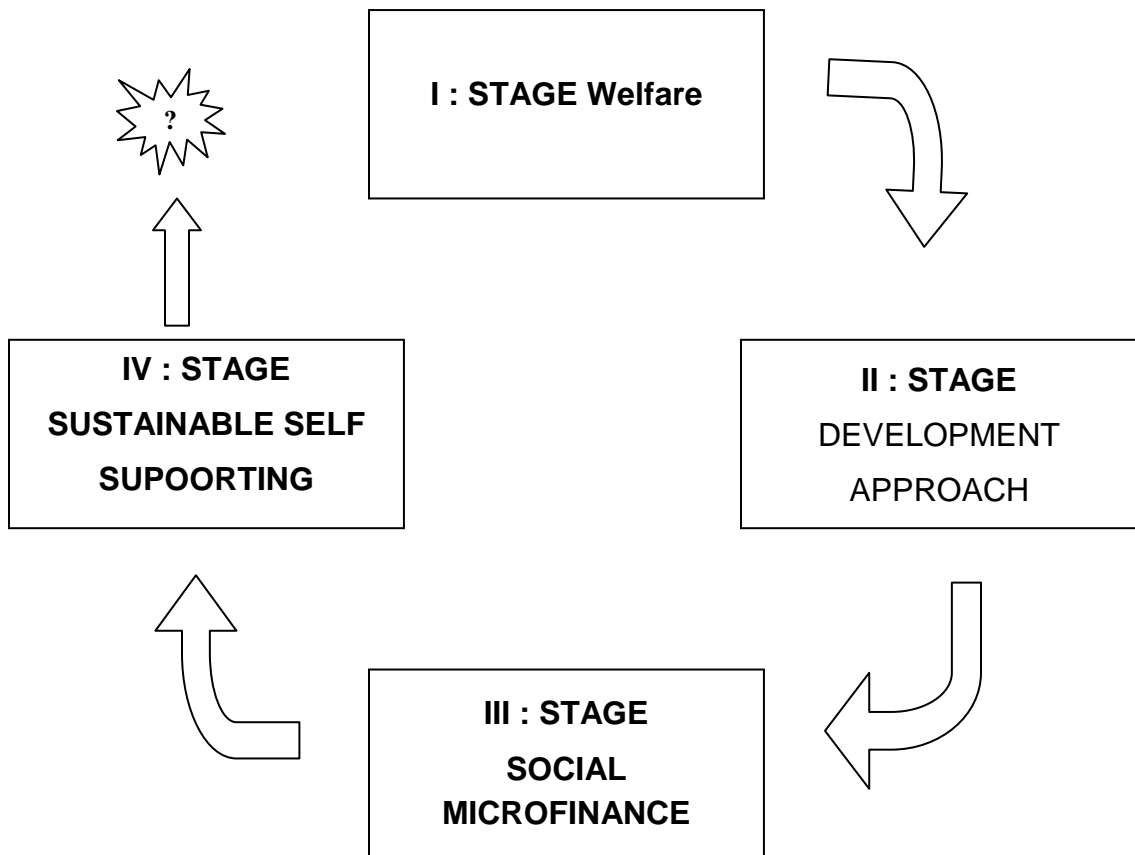
Table : 2 : District wise SHG Status and Bank Linkage Programme
as on 31.03.2002

S.No.,	Name of the district	No., of SHGs	No. groups linked to banks	Bank loan mobilized Rs.in lakhs
I	Coastal Andhra Pradesh			
1.	E Godavari	46754	34765	805.86
2	Guntur	19205	7981	189.55
3	Krishna	25032	14852	237.58
4	Nell ore	16783	6203	205.73
5	Prakasam	22010	7077	175.49
6	Srikakulam	18856	19722	332.41
7	Visakhapatnam	17542	12635	265.43
8	Vizainagaram	13392	4459	67.80
9	W. Godavari	20305	7078	215.65
II	Rayalaseema			
1.	Ananthapur	22256	6984	232.72
2	Chittoor	19071	11982	344.60
3	Cuddapah	12506	2680	154.65
4	Kurnool	14187	6399	144.52
III	Telangana			
1.	Adilabad	13823	6806	145.00
2.	Karim Nagar	21602	14480	206.02

3	Khammam	13943	13141	192.92
4	Mehaboob Nagar	18785	11653	318.23
5	Medak	17951	11832	217.17
6	Nalgonda	20415	8032	186.90
7	Nizamabad	13990	7953	144.93
8	Rangareddy	12322	8152	217.50
9	Warangal	22636	18848	211.91
Total		4,23,366	2,43,714	52,12.57

Andhra Pradesh is surging forward with the formation of net works of SHGs popularly known as Village Organizations in the format of Mutually Aided Cooperative Societies. As a result 38, 000 such societies are either formed or in the formative stages. In addition another 8000 Federations of MACS are also contemplated at Mandal level called Mandal Mahila Smakhya.

Figure : 5 : Stages of Microfinance Growth



Source: APMAS, India

Supporting Themes in Micro Finance

Improvement in living standards of poor is contingent upon increase in income levels of poor. Many classical economists hold capital considerations are only responsible for lack of entrepreneurship among the poor. Further,

they presume that every poor man is inclined to choose the self employment option given the capital availability and market opportunities. Perhaps, the set of practices in a typical credit programme for poor must facilitate improvement in those faculties that help them manage micro enterprises in an effective manner which gradually increase their risk taking ability with steady supply of capital.

Based on this paradigm, most of the micro finance programmes are contrived mainly to promote lasting relations between the poor and credit institutions based on empathy, trust and mutual confidence. Unlike other credit programmes, they place emphasis on building up stake of poor which is supported by outside capital in the later stages.

Often empowerment of weak and vulnerable is stated as overbearing agenda of micro finance programmes. But the definition of empowerment itself has to be precise, whether it means social empowerment, economic empowerment or socio economic or even political empowerment. Generally, for the Non Governmental Organizations or the Government Agencies, socio economic empowerment could be main line agenda providing synchronized delivery of credit, credit plus (material, technology and market support) and credit plus plus.... services including social welfare measures..

Self Help Institutions and Systems in Andhra Pradesh

Thrift and Credit Groups in Andhra Pradesh

Most of the micro finance programmes implemented by voluntary sector in India, adopt group approach for lending. Several promotional agencies in the government sector have promoted and inspired formation of diverse kinds of thrift and credit groups to channelize the various state sponsored poverty alleviation and social development programmes. These groups vary widely in terms of their membership, size, decision-making process, methods of group action, etc. The salient features of these groupings and their relevance in the state of Andhra Pradesh are briefly given below.

1. Self Managed Thrift and Credit Groups

- a. **Self Help Groups** : SHGs are small, economically homogeneous and affinity groups of rural poor, not exceeding 20, voluntarily formed to save and mutually agree to contribute to a common fund to be lent to its members as per group decision. These groups are usually formed by Governmental or Non-governmental organizations with emphasis on both thrift and credit activities. The group through a consensual approach takes all financial decisions.
- b. **DWCRA Groups** : These are women groups formed by the Department of Rural Development with maximum 15 women in each group under programme of “ Development of Women and Children in Rural Areas”

(DWCRA) as sub programme of IRDP. Here again thrift was used as an entry point to weave women groups. Based on the savings performance, Government through District Rural Development Agencies release maximum Revolving Fund Assistance (RFA)/matching grant of Rs.15,000 per group for enabling women to take up income generating activities. Even though IRDP and DWCRA have been subsumed under SGSY since 1999, the SHGs formed by DRDAs in the state continue to be stated as DWCRA programme. At present, DWCRA groups and SHGs are synonymous in the state. Under this programme banks also extend credit facilities to such groups for meeting their fund requirements.

- c. **Podupu Laxmi Groups** : Podupulaxmi groups are DWCRA groups functioning on the lines of SHGs. Thrift is an entry point activity for these groups which is put to rotation among the group members as micro loans based on the priority decided by the group members. DRDAs have been extending matching grant assistance to such groups based on their thrift, credit and repayment records. The matching grant received from the Government is completely funged with the groups' corpus. Banks have also been extending loans to the groups, enhancing overall fund base to enable internal lending of higher order for meeting both consumption and production credit requirements of the members.
- d. **Avval Committees** : Avval Committees are women thrift and credit groups formed in tribal areas of Adilabad district under the aegis of

Integrated Tribal Development Agency. These groups have rudimentary elements of SHGs.

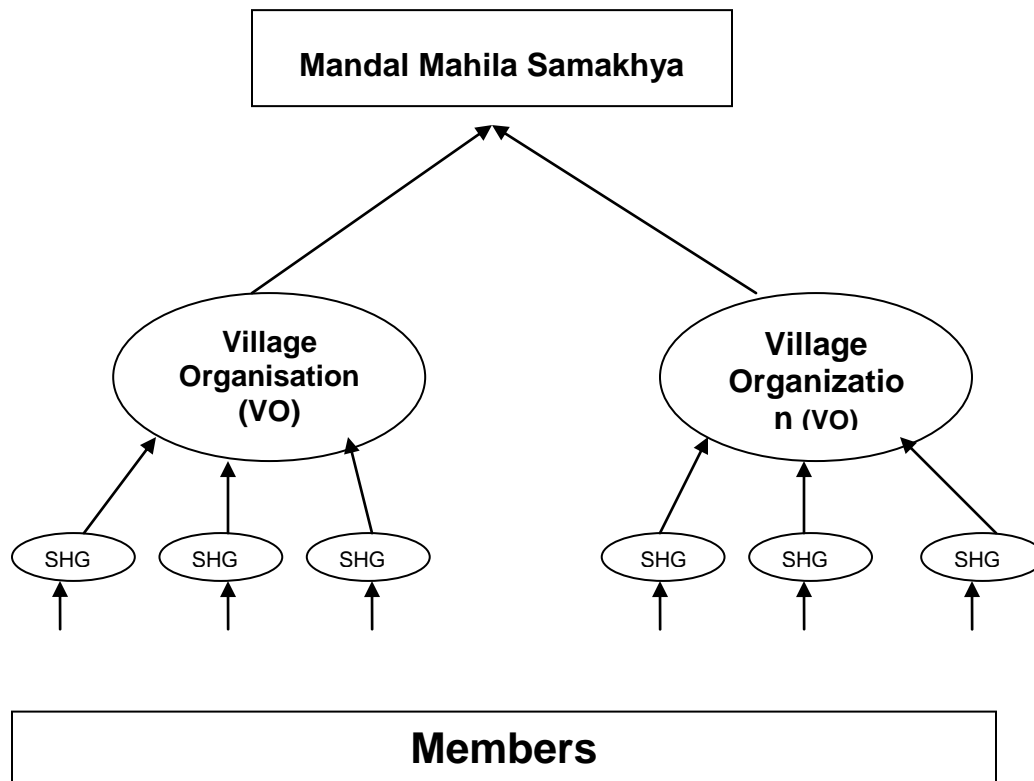
2. Self Managed Networks

- a. **Mutually Aided Cooperatives Societies (MACS) :** Government of Andhra Pradesh has enacted the Andhra Pradesh Mutually Aided Cooperative Societies Act in 1995. The Act provided voluntary formation of cooperatives as accountable, competitive, self-reliant business enterprises based on thrift, self-help and mutual aid. They are owned, managed and controlled by members of their economic and social betterment. Several coalitions and networks of women SHGs have institutionalized themselves under the new enactment. Under these MACS, the members continue to be with the groups they belong to, to ensure collective responsibility, endorsing loan transactions, providing moral security for repayment of loans and participation of all members in every activity of the society. At times groups are federated at village level in the Mahila Mandal/Village Organizations which act as intermediaries between Mandal Level MACS and members, by collecting / recommending loan applications from individual members to MACS, monitoring loans and facilitating default management. However, in some places village organizations are also registered as MACS, providing financial services to the members through SHGs.

Three-tier Structure of SHGs – UNDP / Velugu Project

This model comprises three tiers viz., the Federation (also known as Mandal Samakhya - MMS), the Village Organizations (VO) and the individual SHGs. The Federation operates at the mandal level, while the VO operates at the village/cluster level. Though as per the bylaws, individuals are members of the VOs, they operate more on the concept of a Representative General Body (RGB). This is so because the MACS Act does not recognize SHGs as legal entities, and the VO becomes the primary cooperative in which individuals are to be members. The concept of the RGB ensures that, in practice the SHGs do not lose their existence. At the VO level, one or two representatives from each SHG become the members of the RGB, depending upon the number of SHGs in the village. Similarly, the membership in Federation is through representation from the VOs. Furthermore, every SHG in the mandal can become a member of the MMS, by paying the share capital and membership fee. The 3-tier structure is shown below.

Figure : 6 : Structure of SHG Network



Various initiatives by NABARD for the sustainability of SHGs

- i. Critical rating index – a uniform rating of composite performance indicators is operationalized through out the Andhra Pradesh State and is being used by Banks, DRDAs and NGOs.
- ii. Micro credit plan and appraisal format has been prepared and circulated among the Banks.
- iii. Financing guidelines for the SHG federations – The guidelines prepared by the working group have been circulated to all the user groups.
- iv. Monitoring mechanisms for the Banks- monitoring formats have been devised and circulated to the end users.
- v. Documentation: At the request of the micro finance institutions, a set of agreement documents have been prepared and circulated to the end users.

- vi. Training programmes: Capacity building programmes targeted for range of end users like Banks, NGOs, community leaders and Government have been funded and in addition faculty support is provided. In 2003-04, they have conducted 350 training programmes for different stakeholders.
- vii. Collaboration with corporates: In collaboration with Ms. Hero Cycles, a subsidized cycle distribution programme has been taken up financed by 2 Grameen Banks to benefit the poor house holds of the SHG members.
- viii. SMART card project: NABARD has sanctioned a pilot Smart Card project to be implemented on a pilot basis.

The vision is set in the way it is described in the earlier pages and the New Millennium has hopes to offer us. With the above analysis of evolution of poverty measurement and self help approaches with the motivation towards collective expression of will we shall view the earlier findings, opinions and the work over which we shall try to build another layer for the benefit of the Researchers, Policy Makers and budding professionals working towards the reduction of poverty. It should help us to halve the number of people living below one dollar a day in the world by 2015 with the combined effort of all of us.

CHAPTER II

REVIEW OF LITERATURE

Review of literature

I. About Social Mobilization and Poverty

The social mobilization process with Self Help Group (SHG) development paradigm is a new and sunrise subject in the field of social development. As such the literature available in this regard is more from research sources emanating from the stakeholder financial and developmental institutions like National Bank for Agriculture and Rural Development (NABARD) and National Institute of Rural Development (NIRD), Center for Economic and Social Studies (CESS), Andhra Pradesh Mahila Society (APMAS), Small Industries Development Bank of India (SIDBI) etc.,

International research has made deeper channels on the subject and the lead is taken by World Bank, Department of Foreign and International Development (DFID), UK, Asian Development Bank (ADB), UNDP, Consultative Group for Assisting the Poor (CGAP) etc. Off late the Research World of Social Sciences is opening forays into micro level finance related socio economic development. In this chapter a sincere attempt is made to bring up date of the research on the subject of poverty and social mobilization and specific edges were picked up on impact measurement methodology, selection of indicators for measuring the socio economic impact and correlation of various performance indicators on the over all quality of life of the poor.

Dr. Puhazhendi, V and Dr. Satya Sai, KJS in their study titled “Micro Finance for rural people, an impact evaluation (2000)” have covered aspects like economic status, education level and possession of durable assets of the SHG members and found that economically weaker sections accounted for 32 per cent of the total membership followed by small farmers. About 24 per cent of the members are illiterate and 26 per cent could only sign. The members with the primary and secondary educational level accounted for 21 and 23 per cent respectively and the remaining have higher secondary level and above (NABARD 2000).

The average value of assets per household that included the livestock and the consumer durable items etc., was Rs.6, 843 during the pre Self Help Group (SHG) situation whereas it was Rs.11,793 in the post Self Help Group (SHG) situation registering an increase of 72.30 per cent. About 58.60 per cent of the sample house holds registered an increase in assets from the pre to post SHG situation.

Dr. Satya Sai, KJS on the other hand covered the savings aspect of SHGs and found that only 23 per cent households were saving in pre self help group situation where as almost all of them were saving in the post Self Help Group (SHG) situation with an average saving per member registering over three fold increase from Rs.460 to Rs.1444 in their study across AP and Tamil Nadu states.

Andhra Pradesh Mahila Abhyudaya Society (APMAS, 2001), conducted a study on Institutional linkages and found that the average institutional borrowings per year per house hold has increased from Rs.4,282 during the pre Self Help Group (SHG) situation to Rs.8, 341 during the post Self Help Group (SHG) situation. Almost 50 per cent of borrowings in pre Self Help Group (SHG) in terms of loan accounts were spent for consumption and further investments while after the group formation the borrowings for consumption were reduced to only about 25 per cent with as much as 70 per cent going for income generation purposes.

NABARD in its interim report in 2000 found that there was convergence in the annual interest rates from 12 to 24 per cent range. The overall repayment per centage improved from 84 to 94 per cent with an impressive improvement in the repayment of loans from banks by 29 per cent points.

The average net income per household from income generating activities where loan amounts were deployed increased from Rs.20,177 prior to group formation to Rs.26,889 after group formation (measured in the reference year prices), recording about 33 per cent increase in income. About 43 per cent of the incremental income generated was from non-farm sector activities, followed by farm sector (28 per cent) and off farm (21 per cent). There was a shift in the distribution of households, between pre and post Self Help Group (SHG) situations, towards higher income slabs. About

74 per cent of sample households were below income level of Rs.22, 500 during the pre Self Help Group (SHG) situation.

The proportion declined by 57 per cent in the post Self Help Group (SHG) situation (Micro Finance for Rural Poor, 2000). Inequalities in the distribution of income, borrowings and savings declined during the post Self Help Group (SHG) situation. Employment increased by 17 per cent from 320 person days to 375 person days per household between pre and posts Self Help Group (SHG) situations.

The involvement in the groups significantly contributed in improving the self-confidence of the members. The feeling of self worth and communication with others improved after association with the Self Help Groups (SHG).

The members were relatively more assertive in confronting with social evils and problem situations. As a result perhaps there was fall in the incidence of family violence.

In terms of various parameters for which impact was assessed, linkage models involving NGO as either facilitator or financial intermediary performed better compared to direct model. Older groups of 3 years and above recorded higher impact.

The composite index of different socio economic parameters rose from 40 to 65 between the pre and post self-help group situation recording an

increase of 25 points. The index of economic indicators increased from 40 to 52% and that of social indicators from 40 to 74 % during the same period.

Thus the impact of the micro finance was relatively more pronounced on social aspects than on the economic aspects. Andhra Pradesh Mahila Society, 2001 found that less than one fourth of the members received training from different agencies such as NGOs, Government agencies and banks, prominent among them being the NGOs. Extent of training seems to partly explain the differential impact across linkage models

Malhotra Mohini, Consultative Group for Assisting the Poorest (CGAP, 2001) felt that micro finance has moved from the fringe into the mainstream. It has a long way to go in the countries known for making a head way viz. Bangladesh, Bolivia and Indonesia. The above observations are much more true in respect of India.

She viewed that viewed in the context of unfavorable macro economic policy frame, reluctance of banking sector, non availability of genuine NGOs and the absence of skills in the non farm enterprises, among the vast majority of the poor, the Indian achievement in the short span of less than a decade is no mean achievement.

She found that notable features of the programme are its localization in the southern region, limited participation of banking institutions, greater reliance on NGOs as facilitators and near absence of cooperatives in the

programme. Andhra Pradesh emerged as lead state and the programme is having its outreach in all the districts.

Consultative Group to Assist the Poor (CGAP) in its mid term evaluation report in 2001 stated that the focus of Self Help Group (SHG) linkage as rightly perceived in the Indian context is not on Self Help Groups (SHG) but poverty and its eradication through micro credit. Given the premise, lack of a break through in the programme among the states with predominance of poor and even in states like Andhra Pradesh which have made headway, limited presence in districts known as pockets of poverty, is a matter of concern and calls for reflections to set right this problem. (C GAP, 2001)

A group of NABARD officers and International experts felt that (2004,P.97) there is remarkable improvement in socio economic empowerment of the members in terms of self confidence, involvement in decision making process, increased expression of their view points and participation of their own development. Savings as a habit has been the biggest asset of the programme.

They have also felt that there has been phenomenal increase in the outreach of banking services to the doorsteps of neglected rural poor. Loans have helped the members to access funds at low cost, reduced dependence on usurious moneylenders and increased level of economic activities leading to increase in income and employment opportunities for group members.

State Level Bankers Committee Meeting (SLBC,2004), has felt that Bankers particularly in rural areas have come to accept SHG finance as a business proposition with good recovery and much lesser transaction cost.

They have also felt that there are instances like unsatisfactory record keeping, absence of financial discipline, unequal distribution of loans, loans to outsiders, pre closure of loans to garner higher amounts, absence of rating and appraisal, laxity in usual follow up and monitoring by Banks, Incidence of Non Performing Assets (NPA).

Galab, S and Chandra Sekhar Rao, N (2003) have stated that accelerating economic growth and creating environment for ensuring spread effect of growth have been emphasized, especially during 90s for poverty alleviation.

Vyas and Bhargav (1995) state that poor should respond to the stimuli on poverty alleviation. But they say that the poor can internalize the production indivisibilities in groups only. They feel that participation of poor in the planning and implementation of poverty alleviation programmes is required to reduce the chain of intermediaries between the government and actual beneficiaries and to improve the bargaining power.

Galab (1999) has stated that the traditional rural institutions like joint family system, patron client relationships, traditional occupation based institutions that provide social security are breaking down at the grass roots

level. Thus there is institutional vacuum at grass roots to safe guard the interests of the poor.

World Bank (1995,200, 2001) have stated that there is substantial evidence that organizing women around thrift and credit services is one of the most effective methods, not only for alleviating poverty but also for empowering women.

Galab, S and Chandra Sekhar Rao (2003) have stated that the studies so far conducted on poverty alleviation through social mobilization and institutional development and process of change, though are excellent source to understand the process of change, and are not providing precise estimates of impact assessment parameters.

UNDP (2001) has stated that while capital is not the only factor that allows for the growth or creation of enterprises, it is the most vital as without it, creativity, drive and innovation cannot be transformed into material actions. Every morning 500 million people around the world rise and go to work for themselves. Potters, weavers, blacksmiths, carpenters, mechanics, millers, woodworkers, seamstresses, street vendors, along with a vast array of other skilled based enterprises, often comprise a majority of the workforce in developing countries.

World Bank (1999) reports that Microfinance institutions, as these innovators are now called, have prospered in some of the poorest countries of Africa, Latin America and Asia. Despite wide differences in the socio-

economic and cultural conditions in which these institutions operate, they continue to demonstrate strikingly similar results. Clients borrow, invest in their activities, repay their loans, and borrow again. The average repayment rate is about 98 per cent.

Further, it stated that these growing communities of microfinance institutions are reaching over 10 million people with credit and savings services. But what about the hundreds of millions who could be benefiting from financial services and are not? There is wide consensus among microfinance practitioners that the main constraint is not capital but rather the lack of institutional and human capacity to deliver services. Investing in and supporting startups is an important and effective way to build this capacity (*World Bank, 1999*).

Consultative Group to Assist the Poor (CGAP, 2003) sighted in Mix Market, a dedicated micro finance web site states that the goal of microfinance project is to create income and employment in poor communities through the development of local micro-enterprises and in the process, increase the financial well-being of borrowers, their families, and the community at large.

It further clarifies that micro entrepreneurs start rural and urban businesses on a very small scale, usually with no outside assistance. They keep operating costs low by using handmade or second-hand equipment and

family labor. Businesses often operate from within the home, a further savings. Unfortunately, those who start and run these businesses have virtually no access to capital beyond sources from family, friends or professional moneylenders. Moreover, these businesses are largely isolated from one another. Many could build into substantial enterprises, if they had access to productive resources.

“Declaration and Plan of Action of Micro Credit Summit”, Washington, 1997, has profiled the characters of the poverty centered micro finance as Targeting the poorest of the poor, Organizing poor into group mode, Stimulating thrift habit among poor, Participation of poor in neighborhood lending processes, Loans without insistence on collaterals, Quick disbursement of small and short term loans, Market related interest rates, Default management through peer and moral pressures, transparent methods of operation and Clearly defined responsibilities and accountability of fund managers and provision of package of financial and non financial services for poor.

Robinson (1999), defined microfinance as small-scale financial services provided to the people who work in agriculture, fishing and herding, which operate small or micro enterprises, who provide services, who work for wages or commission and other individuals and groups at the local levels of developing countries, both rural and urban.

Sri Ram (2003) in his book Developmental Paradigms has stated that microfinance arose in the 1980s as a response to doubts and research

findings about state delivery of subsidized credit to poor farmers. In the 1970s government agencies were the predominant methods of providing productive credit to those with no previous access to credit facilities – people who have been forced to pay usurious interest rates or were subject to rent-seeking behavior.

Union Government and international donors assumed that the poor required cheap credit and saw this as a way of promoting agricultural production by small landholders.

He further attributes the phenomenal growth to Raiffeisen model of Germany and states that in addition to providing subsidized agricultural credit, donors set up credit unions inspired by the “Raiffeisen model” developed in Germany in 1864. The focus of these cooperative financial institutions was mostly on savings mobilization in rural areas in an attempt to “teach poor farmers how to save.”

CGAP (2004) in its world wide debate over commercialization of social welfare argued that the greatest challenge before social welfare interveners is the simultaneous achievement of impact, outreach and sustainability in the poverty reduction programmes. The debate of transformation of social welfare organization into self sustainable micro finance institutions with optimal outreach is yet to be found out.

UNDP, 1999 stated that according to the survey found that there is microfinance revolution in the world and it is estimated that there are about

7000 microfinance institutions in the world, catering to about 16 million clients.

Millennium Summit, UN (September 2000) all the nations have set the following Millennium Development Goals with regards to social development: Eradicate extreme poverty and hunger, Achieve universal primary education, Promote gender equality and empower women, Reduce child mortality, Improve maternal health, Combat HIV/AIDS, malaria, and other diseases, Ensure environmental sustainability and Develop a global partnership for development.

The provisional findings of Below Poverty Line (BPL) survey for IX Five Year Plan (1997-2002) carried out by Government of Andhra Pradesh reveal that out of 10.44 million rural households in Andhra Pradesh 39.91 per cent are below poverty line. Nearly 42 per cent of rural poor households belong to Scheduled Castes, 31.0 per cent are Scheduled Tribes, 11.1 per cent are women headed households and another 2.9 per cent by differently abled families. Other castes constitute 19.27 per cent of the poor (*Rural Development, Commissionrate, GOAP, 2000*).

IX Five Year Plan, Survey, 2002 ; Analysis of spatial distribution of poor reveals that large concentration is in mid coastal region comprising East Godavari, West Godavari, Krishna, Guntur and Prakasam districts, which account for 29.07 per cent of poor households. Rayalaseema districts contribute 24.89 per cent of rural poor and Telangana districts 46.04 per cent. However Mehaboob Nagar (45per cent), Adilabad (44per cent),

Ananthapur (47per cent) and Kurnool (43.6per cent) districts have highest proportion of low-income households closely followed by Khammam, Karim Nagar and Nalgonda (43 per cent each) It states that Poor asset base coupled with dependence on farm operations continue to dog the livelihood opportunities for poor in State. While 42.3 per cent of rural poor families are small and marginal farmers, 8 per cent are rural artisans. Further the Plan Document places on record that the contribution of resource poor households in agriculture sector across the districts shows strong correlation with concentration of BPL families.

Prof., Gibbon, 2004 found that there is high degree variation in participatory wealth ranking and government surveys in Uttar Pradesh.

Ann Oakley et al, 1970 defined gender as those characteristics of men and women which are socially determined, in contrast to those which are biologically determined. He states that this distinction between gender and sex has very important implications in gender related development paradigm. He argues that Gender cannot simply be 'stitched on' to existing development models, nor added into development and relief programmes as an extra component. Gender awareness is not a separate or additional issue to be addressed; it is a way of seeing a perspective, a set of insights, which informs our understanding of people and society.

Consultative Group to Assist the Poor, World Bank, 1999 defines that any micro Finance Institution that has commitment to serve the poor should

have the following characteristics – (i) Target Group Focus, (ii) Significant Scale (iii) Self Sufficiency and (iv) Ability to manage domestic resources.

Anton Simanowitz, 2001 has felt that an impact assessment tool is a mechanism of obtaining the answer to certain questions or revealing certain information about impact that we are looking for. So the simplest tool is a single question asked! Whereas the question is asked in a methodical and thought out way, with the questioner knowing why they are asking the question, and having some notion of how the answer given will relate to the bigger picture or context in which the question is asked, then this can be defined as a tool. He further classified the impact assessment tools as Quantitative methods are useful for getting broad descriptions of a situation, how it has changed or measured impacts. They can give rigorous information that can assist with analyzing descriptions of patterns, for example what changes are associated with what characteristics or inputs. They are useful in supporting conclusions drawn from more in-depth study but on their own do not lead to understanding of why changes have occurred.

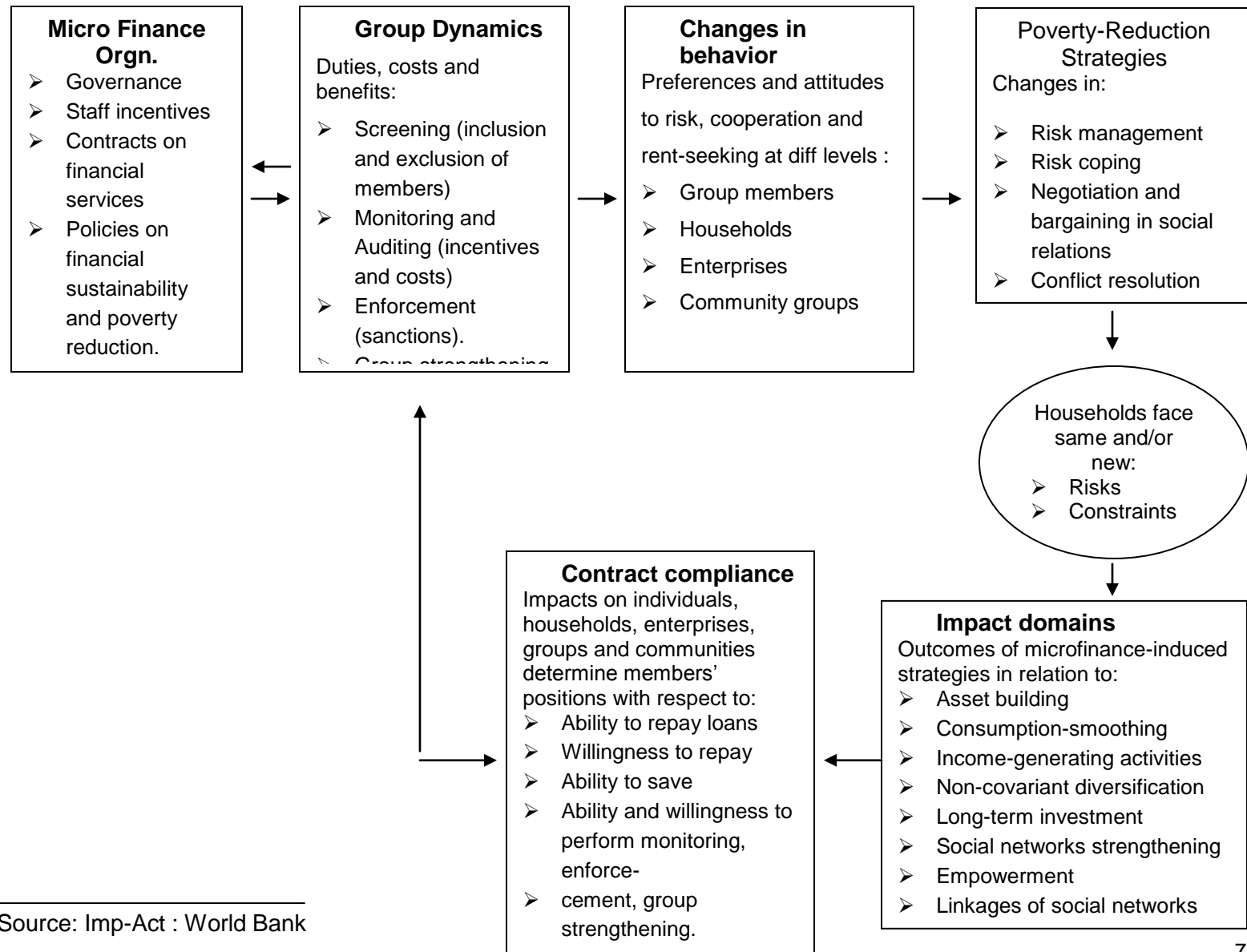
Qualitative methods are useful for understanding the reasons for events described in research or impact assessment. Because they generally are more in-depth and time-consuming than quantitative tools, qualitative tools generally do not gather enough information for general patterns to be described statistically.

Par Veronica González Aguilar (2001) felt that the measurement of impact is particularly relevant for poverty-alleviation programmes and that it is important to identify the range of factors which contribute to the creation of poverty, and which must therefore be addressed to achieve sustainable solutions to poverty. He pointed out that Impact Assessment would inform donors on the degree in which their support to MFIs is contributing to poverty alleviation and whether their financial aid is justified.

Impact Assessment, according to him may be defined as “an inquiry to estimate the value, degree and/or conditions of change that can be plausibly associated with microfinance intervention. Generally, it compares impact variables at two points in time and cover sample groups. He opines that impact studies try to assess the process of intervention and the value of its impact rather than measure statistically every change produced.

He feels that measuring socio-economic indicators is difficult, costly and subjective. The challenge of impact measurement studies is to improve the credibility and efficiency of micro-finance programmes.

Figure : 7 : Model of Impact Chain



Source: Imp-Act : World Bank

USAID (1999) reported that the poor have undoubtedly benefited from micro-finance services in several ways, for example in growing levels of health care and education expenditures, better income, better quality of nutrition, although the impact was less important for the very poorest because the opportunities for investment are more restricted. The following are its findings:

- The study indicates that households with improved access to credit are better able to benefit from technology, increase their incomes, and improve food expenditures and calorie intake than those who do not have access to credit.
- Micro-finance services lead to better nutrition.
- In Bangladesh, studies indicate that BRAC has had significant positive effects on school enrolment, asset holdings of households, and food consumption.
- In Bangladesh, household participation in credit operations had an effect on the weights of pre-school children.
- Another study conducted in Kenya has shown that credit access contributes to increased expenditure on education
- In Bangladesh, credit access provided by both the Grameen Bank and BRAC has had a positive impact on women's empowerment and contraceptive use. On the other hand, some women benefit less from credit than men. Sometimes, women do not control the credit they get. It is often used by the husband.
- In Ghana, studies indicate that the combination of credit with education services in women's groups resulted in higher non-farm income, improved household food security, and improved nutrition, health care and education for children.

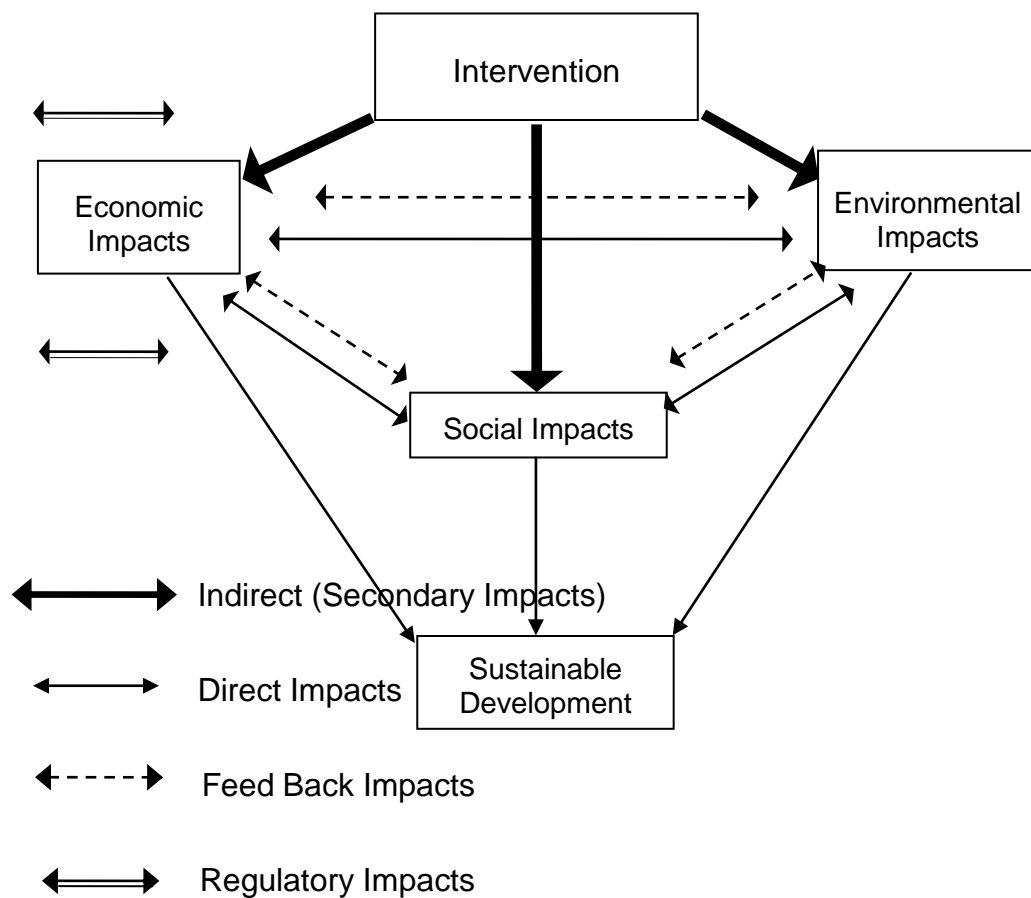
- Studies have shown that through micro-finance the poor gain confidence and become familiar with financial institutions. Savings for the poor create an opportunity to face urgency needs and build up collateral for loans.
- Some studies focused on micro-finance and gender, has found that providing financial services to poor women helps to increase not only their income but also their confidence, mobility and access to markets, their independence and willingness to take decisions.
- In Dogon (Mali), the Caisse Villageoise system is not only an “organization for financial services delivery”. It has become a part of the social and cultural dimensions of the village. More than 50 per cent of the inhabitants of the village participate actively in its activities. This system has increased the spirit of solidarity in the village.
- However, not all effects are positive; studies in Peru have shown that if parents are under pressure to repay a loan, and a child could work for wages, parents are likely to withdraw the child from school.

USAID studies have further found that on institutional performance front impact studies of poverty alleviation programmes have tried to understand the following:

- Definition of objectives and strategies and produce guidelines for good practice for micro-finance programs;
- Evaluation of the appropriateness of the strategic choice;
- Contribution to the design and delivery of appropriate products that respond to clients' needs;
- Reassurance to the investors concerned not only with financial returns but also social returns; this information can be used to justify their investment decisions;
- Establishment of credibility;

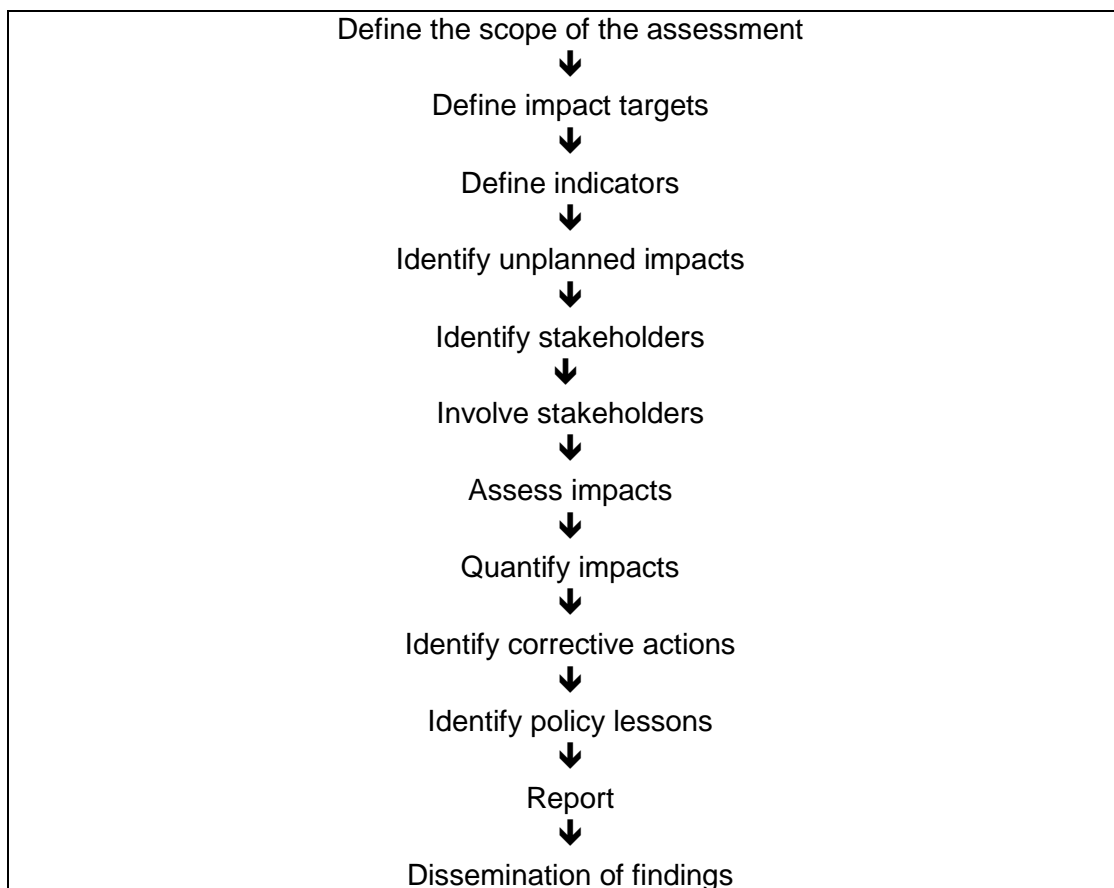
- Definition of the target group;
- Reduction in clients' turnover;
- Improvement of portfolio quality;
- Favorable outreach;

Figure : 8 : Types of Impact on Sustainable Development



Source: USAID Assessment of Impact in Micro Financial Services (AIMS)

Colin Kirkpatrick et al, 1999 have defined impact assessment as the process of identifying the anticipated or actual impacts of a development intervention, on those social, economic and environmental factors which the intervention is designed to affect or may inadvertently affect. They argued that it might take place before approval of an intervention (*ex ante*), after completion (*ex post*), or at any stage in between. *Ex ante* assessment forecasts potential impacts as part of the planning, design and approval of an intervention. *Ex post* assessment identifies actual impacts during and after implementation, to enable corrective action to be taken if necessary, and to provide information for improving the design of future interventions. David Hulmes et al (1999) identified the following steps in impact assessment:



DFID, Draft Evaluation Guidelines (First Draft Nov 2000), Evaluation Dept, DFID, UK, has outlined the priorities in impact assessment as Halving poverty, Making government work for poor people, Meeting the urban challenge, Poverty eradication and the empowerment of women, Environmental sustainability and eliminating poverty, Human rights for poor people, Addressing the water crisis, Better health for poor people and Education for all.

Anton Simanowitz, 2001 found that much impact assessment work in the past has been donor driven, and mostly serves donor needs. He opined that the emphasis is on justifying funding, rather than helping management learn, and improve their work. And there should be increasingly a more "practitioner-oriented" approach is required.

Elaine L Edgecombe, 2003 has found in her impact research in Honduras that the enterprise-level hypotheses assert that micro enterprise services will lead to increased net cash flow, increased acquisition of business assets, and ultimately to greater differentiation between the enterprise and household as the business matures. Evidence supporting each of these was found in the comparison of ODEF clients to non-clients. In addition, there was some evidence that supported the belief that these impacts increase as program participation lengthens.

Kirkpatrick, C. et al, 2001 felt that impact study in a scientific way should focus on scope , targets, indicators, unplanned impacts, stakeholder

identification, stakeholder involvement, assessment of impacts, quantification of impacts, corrective action, policy learning, reporting ,and dissemination of findings. They further felt that the key task for the Impact Assessment designer is to select an approach that can meet the objectives of the specific assessment at an acceptable level of rigor that is compatible with the programme's context, feasible in terms of costs, timing and human resource availability and an Impact Assessment must avoid certain methodological pitfalls and wherever possible an Impact Assessment methodology should be piloted before full implementation.

Anton Simanowitz A has reported that considerable amount of debate in microfinance impact assessment has centered on the question of causality and attribution, or whether it is possible to demonstrate that it is the particular intervention of the MFI that has led to a specific change. Client livelihoods and the communities in which they live are complex. Clients may have multiple income sources, and the credit provided by the MFI is fungible and is not necessarily used for the purpose for which it was requested. This makes it difficult and complex to attribute impact to an MFI, particularly given the difficulty of establishing effective control-group mechanisms that can establish a counter-factual (i.e. what would have happened without the MFI intervention). The methods that can be used to this end are time-consuming, costly and complex.

Simanowitz, 2003 in his paper submitted to Ford Foundation felt that understanding community level and broader impact is more than just the

monitoring of performance outcomes. There are broader and longer term questions relating to the direct and indirect impacts of microfinance services on clients and non-clients, their communities and the local and national economies of the countries in which they live. He further felt that for many social development organizations monitoring poverty impact is crucial to their mission. Whilst development organizations cannot hope to answer all questions themselves, they do need to assess their role in these broader relationships, and modify their activities in order to maximize their impact.

UNCDF in its concept paper on micro finance impact studies felt that the effect of accessing financial services can have multiple and cross-cutting influence on poverty; these effects are hard to isolate and determine direct causal relationships. The impact of anti-poverty measures is often not immediately apparent, sometimes necessitating an intergenerational study of the impact on households. In addition, because of the variety in the institutional arrangements of the tens of thousands MFIs worldwide, obtaining reliable comparable data across countries is difficult.

CHAPTER : IV

OBJECTIVES , RESEARCH DESIGN AND METHODOLOGY

Need of the Study and Present Challenges – Base for Research

The present study is basically to understand the living standards of the house holds of the SHHG members. There are very few grass roots level investigations and impact created through SHGs. There is also critical gap in research in this particular subject correlating the holistic situation at micro level and the factors that contribute to the household quality of living.

Though numbers of studies are conducted on SHGs, there is need to integrate research approach identifying the key performance indicators through which the socio economic impact of the Self Help Group (SHG) on its members' households can be measured scientifically.

The present study precisely attempts to analyze grass roots level community based institutions called SHGs and tries to measure the impact, the Self Help Group (SHG) activities have brought in the lives of its members. The research is very essential when huge investments are made by the Government, Voluntary sector and the Banks on Self Help Group (SHG) strategy and more than 6.5 million families have direct stake in it. The present research is designed in this context.

The leftovers of the previous research studies and the Objectives of the present study

1. The review of literature leads us to critical gaps in the past research studies especially about the role of SHGs and their performance correlation with the house hold level socio economic indicators.
2. The earlier studies were mostly at macro level covering entire South India or one State or one big programme. The present study, from the bird's eye, view shifts to worm's eye view at micro level and profiles, compares and contrasts the pre and post SHG situations.
3. It attempts to correlate the family indicators with the SHG performance with a premise that SHG has strong influence on the house hold well being. No such attempt was made earlier in an intensive way. Mostly earlier studies remained focused on individual members and their details rather than their household performance indicators.
4. Earlier studies focused on visible changes and the invisible influence of the development interventions was conspicuously silent. The present study has strong premise that invisible or soft or abstract indicators are as much important as the concrete or visible or hard indicators. Earlier such attempts were not made in a holistic way.
5. It is a bottom up approach with micro study leading to the policy level suggestions rather than an attempt to study the macro policy frame

work and making suggestions for amendments to the grass roots level programme implementation.

With the above mentioned leftovers the following objectives were framed for the present study.

Specific Objectives of the Study

1. To profile the socio economic status of the members of the Self Help Group (SHG).
2. To measure the impact of the Self Help Groups (SHG) on the household social indicators.
3. To measure the impact of the Self Help Groups (SHG) on the household economic indicators.
4. To study the impact of the Self Help Groups (SHG) on the levels of awareness among its members about the various on going development programmes.
5. To measure the differential impact of the Self Help Groups (SHG) depending on the age and maturity* of the groups
6. To measure the differential impact of the Self Help Groups (SHG) amongst the SC, BC and OC social categories of the members.

* Age is the number of years of completion of existence of SHG and maturity is the number of cycles of loan completed in the SHG.

Research Design and Methodology

In this chapter the approach followed for the research study is presented in two sections Viz. Sample Design and Method of Analysis.

Sample Design

Elaborate steps are taken in developing the sampling design and a detailed account of the sampling steps may not be out of place. The guiding principle in deciding upon the design of the study is that it should be truly representative of the universe, which encompasses the rural households of the unit or cluster engaged in self and mutual help through savings and credit programme within the frame work of SHG with the women as entry points. The sampling techniques should be amenable for testing the hypothesis derived on the basis of the specific objectives of the present study. Hence only SHG members were the respondents and the non SHG members were excluded from the purview of the study making it an ex-post facto study comparing the pre and post SHG household socio economic situations with SHG activities as the attributes for the socio economic change and consequent impact.

Study Area

Key Factors that Figured in the Selection of the District

The first stage-sampling unit was the district. As the social mobilization centered women empowerment programme spreads across Andhra Pradesh encompassing all the districts, the selection of one district for the present research study was done after careful analysis based on a week long pilot study and the secondary information gathered from earlier evaluation studies of NABARD and WORLD BANK. At the first phase, the selection process eliminated the other districts and short listed 3 districts for consideration of the present study because of uniform programme interventions as the determinants through SAPAP (South Asia Poverty Alleviation Programme) in these three districts and common social mobilization and group formation techniques adapted across the three districts. Here the experience of the groups in terms of number of years of existence is SHGs also counted.

Pre-Research analysis of the three SAPAP Districts

1. “South Asia Association of Regional Countries (SAARC)” initiated and UNDP sponsored Poverty Alleviation Programme titled “Institutional Development at Grass roots for Poverty Alleviation (IDGFP).” was the uniform external determinant for short listing the three districts.
2. They have SHGs ageing up to 7 years and form the perfect research basis for socio economic impact analysis.

3. The three districts are some of the poorest in India with the second lowest rainfall in the country and the lowest in South India. Anantapur is the only Desert Development Programme District in South India. The poverty indicators are strikingly visible.
4. They are also chosen for District Poverty Initiative Programme (DPIP), along with other 5 Districts of AP under World Bank funded District Poverty Initiatives Project (DPIP) – Velugu based on the UNDP experience.
5. All the three districts had uniform approach and techniques in social mobilization, SHG formation and training the groups in SHG best practices. The secondary institutions and intervention framework all across the districts were uniform.

Selection of the District

The week long pilot study also helped us to zero down to one district with the following situation analysis.

The other two districts out of short listed three were equally efficient in running the SHG programmes but were not giving complete and balanced picture on the pre-selected and short listed socio economic household level indicators. Mehaboob Nagar district was heavily loaded against BC categories and had high concentration of SC and ST categories. Kurnool district had number of urban groups additionally with different socio economic back grounds. To avoid sampling errors, on the strength of the pilot study

and also based on the original project documents of the SAPAP, we zeroed down to Anantapur district for effective and integrated study. The following attributes were weighed for selection of Ananthapur district amongst the three SAPAP districts.

1. Comprehensive and well balanced in socio economic and demographic characters like SC, BC and OC composition amongst the SHG membership.
2. Has comprehensive and well balanced livelihood activities encompassing on farm, off farm and non farm activities.
3. Has highly favorable rural composition for unbiased research study with complete focus on rural socio economic and demographic characters.

Hence, the present research study is conducted in Ananthapur district of Andhra Pradesh because of the availability of wide range of groups in sufficient numbers to make comparison and contrast without sampling errors as revealed by the week long pilot study. It is also one of the driest districts of the country with starking poverty indicators but very wide range of membership in Self Help Groups (SHG) by the poor rural women. It is also one of the fore runner districts in the SHG formation.

District Profile

Ananthapur district was formed in the year 1882 separating from Bellary District and was later on expanded with the addition of Kadiri Taluk from Cuddapah in the year 1910 and Rayadrug Taluk from Bellary in the year 1956.

Demographic Particulars

The district has a population of 36.39 Lakhs as per 2001 census. The decennial growth rate to 1991 census is 12.6%. The density of population is 190.2 per sq.km. 50% people are literate and 77% of the population lives in villages.

Rainfall and Climate

Ananthapur district is the driest district in South and second driest district in India after Jaisalmer in Rajasthan. Normal rainfall is 552 mm. It is the only Desert Development Programme district in South. The rainfall is highly erratic.

Efforts in Social Mobilization and Women Centered Activities

The district was one of the SAPAP districts (South Asia Poverty Alleviation Programme) along with Kurnool and Mehaboob Nagar where SAARC initiated and UNDP sponsored project was initiated in 1994. Prior to that MYRADA, a local NGO did epoch making work in women SHGs with NABARD pilot project on Bank linkages. It was the earliest such initiative in the country that led to huge Bank linkage programme within one decade across the country.

The district has voluntary organizations like Rural Development Trust which have lent relentless support to the cause of women empowerment. In 1996 the district stood first in Andhra Pradesh in no., of SHGs and even

today stands as good example for NGO-GO convergence in development programmes.

Poverty Analysis

Historically rich area since Krishna Devaraya Kingdom and culturally rich heritage passed on from generation after generation, Ananthapur slowly turned into a semi arid tropic with less than 50 cm.s and recurring drought year after year.

The poverty is coterminous with the drought and people migrate work to far off places during the lean season. With no perennial water resources and scanty rainfall resources the district is reported to be fast decertifying. The evapo transpiration losses and wide deforestation have made its once rich lands as barren and resultant dwindling population of small ruminants. Yet the district is known for unique artisan skills and stands first in the state for its silk handlooms and sericulture sector.

Banks

The district is well dotted with the banking networks that are financially assisting the groups with bank linkages. Every year a district credit plan of Rs.600 cores caters to the needs of the district economic activities.

Industries

The district has no major industries and industrialization is one of the lowest in the state. The employment opportunities in non farm sector are mostly generated through cottage and tiny sectors.

Agriculture

87% of arable land is rain fed and ground nut is the mono crop which makes or breaks the district economy and normally one in 4 years is a drought year.

Figure : 9 : Map of Anantapur District depicting Research Area



The second stage of the sampling unit was Mandal.

Key factors figured in the selection of the Mandal

The Pilot study and the secondary information revealed that the SAPAP programme was implemented in 6 clusters of Anantapur district and each cluster was examined for comprehensive coverage of required number of households carrying socio economic indicators amenable for the study without errors. But the pilot study revealed that the external poverty determinants like drought and dependence on rain fed farming were not uniform across the clusters.

Anantapur cluster was having heavy load of urban groups. Kadiri cluster was having heavy load of land based activities and less non farm activities. Madakasira cluster was basically having agriculture labor groups. Hindupur cluster was the only cluster with balance of activities encompassing on farm, non farm and off farm activities giving a comprehensive set of indicators to measure socio economic change with sufficient number of respondents optimized by the sampling techniques. The other mandals after elimination of non uniform groups like urban groups were giving too small sample sizes to make accurate study.

Pre Research Analysis of Sample Mandal

1. It is one of the Mandals in Ananthapur district wherein, “Institutional Development at Grassroots for Poverty Alleviation (IDGFP)” , a pilot programme sponsored by UNDP was rigorously implemented.

2. It is one of the Mandals wherein UNDP has spent seed capital grant with the formation of community-based organizations (CBO) like Village Organizations (VOs), Mandal Mahila Samakhya (MMS) along with the SHGs.
3. The mandal has proved to be the most regular in terms of attendance in the SHGs, Village Organizations (VO) and Mandal Mahila Samakhya (MMS) in their General Body and Executive Committee meetings compared to other mandals in the district. (97% attendance as mentioned in the attendance registers of the CBOs). Hence the impact can be gauged uniformly across the groups without uneven attendance within the sample being the negative factor.
4. It is one of the mandals where in a minimum of about 200 SHGs were linked to Bank loans to ensure adequate sample.
5. The mandal also gives representative sample of SHGs numbering to 200 to ensure adequate size for analysis.

The third stage of the sampling unit was village and the SHGs.

Selection of SHGs and Villages

Selection of SHGs was carried out through the method of multistage stratified random sampling technique.

SHGs which have completed a minimum of one year of existence and are linked to Bank at least with one cycle of loan are selected for the study to

ensure bank linkage correlated impact all across the sample size. Hence only those SHGs linked with banks as on March 2002 in the selected mandal, constituted the frame for this stage of sampling.

Secondary information provided by the experts in the subject cautioned us that the comparison of two SHGs, with and without bank linkages may not yield the accurate impact results, leading to chance improvement in socio economic conditions due to Bank linkage as compared to the control group without linkage. Hence, the common denominator, bank linkage.

The number of SHGs to be covered was priori fixed at 20 to be distributed across the 20 villages as per probability proportional to the cumulative number of SHGs @ 1 SHG per village. Care is taken that same village/habitation is not counted twice with the two SHGs within a revenue village.

Key factors figured in the selection of sample households

1. The necessity of ensuring comprehensive coverage of scheduled caste, backward caste and other caste households in the impact study.
2. The necessity of covering only SHG members avoiding non members.
3. The necessity of covering SHGs spread over as many villages.

4. The necessity of covering older members (at least one year experience in SHG) as comparison between the new and old members may not yield accurate results.
5. Contiguity of external poverty contributing factors like drought and attendant migration or unemployment
6. Coterminous with external poverty reduction factors like institutional credit in the shape of Bank linkage to the group or other programmatic facilitations and interventions uniformly across the sample.

Selection of Respondents

The size of the universe (3600) prompted us to take 100 households as sample size (3.5%). But to avoid errors we have doubled the required sample size to 210 families (7%). Increase in the sample size further would have made the research analysis very complicated. Hence 210 are determined as the optimum size and for accurate arithmetic results it was decided to study a sample of 200 households. Too much of variance resulted in very large number of unmanageable sample size and less variance resulted in too small a sample size to get any accurate results. The optimization exercise with the help of pilot study on total Hindupur cluster size of 3600 families helped us to select a sample size of 200 for accurate results.

Adequate representation is provided to the groups with membership base from Scheduled Castes, Backward Castes and Other Castes. The

numbers of SHGs from each social category in the sample were decided by their corresponding ratio in the population size. The universe of 3600 households contained 70% BC families, 10% OC families and 20% SC families. In consonance with these socio demographic population ratios the sample size also contained the same proportion of social categories of households. But within each social category the households are selected purely on random basis by draw of lots giving number to each SHG member in that particular social category.

Since there are no ST groups in the mandal this category is totally avoided for comparison tests.

Since SHGs are selected, amply representing the cross section of the socio economic and demographic characteristics, the randomized sample of 200 respondents is also amply reflecting these characteristics. Ten respondents are selected from each of the randomized 20 groups. It was optimum to study 20 groups across 20 habitations and if group numbers are increased reducing the corresponding per group no., of respondents, the research would have been too laborious across 40 habitations. Hence optimum of 20 groups in 20 habitations without more than one group per habitation was preferred. The ultimate sample frame contains 200 respondents' families out of 300 first stage sampling unit containing 20 SHGs as population. The 270 SHGs across the same mandal with a total 3600 households contained the universe and with the uniform programme facilitation and interventions, it is the source for the sample selection.

Method of Analysis

The study is carried out in two facets.

Profile of Households

Profile of the respondent households reflects the socio economic characters. It gives snapshot of the universe and helps to make an in depth assessment of the present status of the population vis-à-vis the universe. It also leads us to the selection of appropriate socio economic variables with which we can measure the impact. It helps us to know whether there is common thread passing through the households, the identity developed exclusively due to the intervention of SHG activities.

Hence the first stage of the study was profiling the SHGs for its socio economic indicators. The profiling exercise covers the SHG members and their households.

The socio economic indicators to profile the households are mainly divided into-

1. Family Indicators (8 indicators): They are non financial in nature and basically reflect the family level quality of life other than monetization of house hold activities.
2. Poverty Identification Indicators (13 indicators): They are basic financial indicators and monetize the house hold activities.

Impact Analysis

The second facet of the study is the ex post facto impact analysis of the socio economic indicators of the households of the members of the SHGs.

Measuring Impact

The socio economic poverty indicators are stratified into measurable variables after carefully choosing them from complex poverty linked factors.

The stratification into visible and invisible indicators is the critical need of the present study as mere objectively verifiable external indicators are leaving conspicuous gaps in revealing the changes brought in by the SHG activities. Such of the characters which are soft and abstract but have deepening influence on the lives of the respondents' households are short listed and unless we identify such invisible changes the impact can not be measured completely and accurately. Hence the variables are clearly demarcated as visible and invisible to know the kind of impact they are creating. The demarcation exercise was done after careful consultations with the experts in the field. The community could visualize the invisible changes imparted by the SHG activities only after unfelt changes were converted into felt changes.

Characters of Invisible Indicators

1. They are subjective and can not be measured with quantitative scores like eg., income in rupees.

2. They are qualitative and responses are recorded as high medium and low like awareness about government programmes or articulation of the members.
3. They are placed in the context of relative change and can not stand in isolation but are relevant to the change occurring in other members also. Eg., income in rupees is stand alone feature of the family but self confidence of the SHG member is a relative attribute and more or less in comparison to the confidence levels of other respondents too.
4. They are measured in relative terms and not in absolute terms.
5. They are mostly to do with the synergetic effect of SHG activities spreading across the membership.

Characters of Visible Indicators

1. The variables are unique to the respondent and are not influenced by other members' responses.
2. They are measured in absolute terms and not in relative terms.
3. They deal with quantitative aspects of household characters.
4. It is visible and clearly felt by the respondents or their household members.

Ex-Post Facto Analysis

For assessing the impact of SHG centered social mobilization, comparison between pre and post SHG situations was done in this study. The respondents were asked to recollect with carefully framed questions, the situation before and after SHG membership vis-à-vis the selected socio economic indicators. The reaction level responses are assigned with specific scores. The indicators reflect the visible and invisible changes in social empowerment, behavioral changes, and access to public utilities, employment, consumption pattern, micro savings, micro investment and asset structure.

Impact Measurement

Impact is measured as the difference in the magnitude of given indicator between the pre and post SHG situations. The change emanating from the influence of SHG activities of the women to larger cross - section of members' house holds as synergetic spread effect, is carefully assessed. Every indicator is assigned with the unique value.

Statistical Tools

While the socio economic profile is built with the help of simple per cent age, ratio and averages and is graphically presented. The impact is assessed, in addition to the percentages and ratios, with appropriate statistical tools like Pearson's Chi-square Test.

Mobility Disaggregated

Since the present study deals with mobility vis-à-vis the social and economic moment from one value based variable to the other, the extent of mobility is measured by number of respondents located in that particular context.. Hence the number of respondents moving from one particular indicator value in the pre SHG situation to other set of indicator value in the post SHG situation is recorded.

The mobility has to be tested for its significance in change amongst different social categories to know whether under uniform facilitation there is significant difference amongst the SC, BC and OC families in responding to the change.

After analysis of similar measurements in social research in the past and with expert opinion about statistical applications, it is concluded that the change in socio economic variables can be measured with the following statistical tools.

The Chi - Square Test (X^2)

The Chi square test is the most popular non parametric test of significance in social science research. It is used to make comparisons between two or more nominal variables. Unlike the other tests of significance, the Chi-square is used to make comparison between frequencies rather than between mean scores. The test evaluates whether the difference between the observed frequencies and the expected frequencies under the null hypothesis can be attributed to chance or actual

population differences. A Chi-square value is obtained by the following formula.

$$X^2 = \sum \frac{(f_0 - f_c)^2}{F_c}$$

Where F_c is the expected frequency and F_0 is the observed frequency in terms of null hypothesis. The results are presented and the inferences are scientifically drawn on the basis of null hypothesis and statistical significance of the comparative influence of the programme over the socio economic lives of the poor are evaluated.

Research Hypothesis

Each objective is tested against the null hypothesis as stated below.

Hypothesis : 1

Between pre and post SHG activities there is no specific and significant positive impact in the social conditions of the members' households.

Hypothesis : 2

Between pre and post SHG activities there is no specific and significant positive impact in the economic conditions of the members' households.

Hypothesis : 3

Between pre and post SHG activities there is no specific and significant positive change in awareness levels amongst the members about various on going development programmes.

Hypothesis : 4

Age and maturity of the SHGs have no positive and significant differential impact on the households of its members

Hypothesis : 5

There is no positive and significant difference between SC, BC and OC members' households to the changes impacted by the SHG activities.

Further, the test of above hypothesis is disaggregated into specific performance analysis against each socio economic variable. for testing the significance of difference in changes amongst social groups before and after SHG activities. The conclusions are drawn specifically while comparing the pre and post performance indicators against each socio economic variable and are stated during individual analysis.

Limitations of the Present Study

1. The present study assumes that all the socio economic performance indicators chosen are influenced by SHG activities alone. But in reality there may be isolated development interventions and chance factors

which could have happened even without the SHG activities. Though care was taken to delineate such mixed external contributory factors and tried to sharpen the demarcating lineal relationship between them, there may be generalizations to a very limited extent.

2. The year of study was one of the worst drought years in 50 years. Hence the results might have been attributed to all the years that have spread across the SHG activities. We tried to demystify this limitation to the extent possible.
3. The ex-post facto study in general throes a formidable challenge to the social researcher and more so in the present case dealing with the rural and semiliterate women. The reactionary level responses are difficult to record.
4. Since responses were to be recorded on abstract performance indicators also, it took lot of time and skillful extraction of responses and the skills required come only with the experience of working with the SHGs.
5. SHG is a sunrise new generation social topic and hence there is limitation in finding past research results and research methodology as sources of guidance.

**Table : 3 : List of Groups and Villages Sampling Frame –
Stratification of Habitations and SHGs**

S.No	Village	Name of the Group	Caste	No., of Members in the Group	No., of Respondent House Holds
1	Gollapuram	Netaji Mahila Mandali	SC	15	10
2	G.Guddampalli	Rangaswamy Mahila Mandali	BC	15	10
3	Tumkunta	Allavalli Mahila Mandali	OC	15	10
4	Tumkunta Checkpost colony	Bakta Kannappa Mahila Mandali	BC	15	10
5	Chowlur	Indira Priyadarshini Mahila Mandali	SC	15	10
6	Ramachandra Puram	Rajyalaxmi Mahila Mandali	OC	15	10
7	Karudipalli	Sarojini Mahila Mandali	BC	15	10
8	C. Venkatapuram	Laxminarasimha Mahila Mandali	BC	15	10
9	Santebidnur	Sri Laxmi Mahila Mandali	BC	15	10
10	Tungepalli	Dhanalzmi Mahila Mandali	SC	15	10
11	Bevinahalli	Laxmi Narasimha Mahila Mandali	SC	15	10
12	Udugulapalli	Arunodaya Mahila Mandali	BC	15	10
13	Nakkalapalli	Teja Mahila Mandali	BC	15	10
14	Sanjivarayapalli	Anjineyaswamy Mahila Mandali	BC	15	10
15	Kirikera	Sandya Mahila Mandali	BC	15	10
16	Vinayaka Nagar	Virpuakha Mahila Mandali	BC	15	10
17	Mittmeddipalli	Bapuji Mahila Mandali	BC	15	10
18	K Basavanapalli	Bhagyajyothy Mahila Mandali	BC	15	10
19	Kirikera Weavers Colony	Adarsha Mahila Mandali	BC	15	10
20	A Vaddi Palli	Maruty Mahila Mandali	BC	15	10
Total			BC 14 SC 4 OC 2	Population 300 Families	Sample 200 families
			Group s	BC: 210 SC: 60 OC 30	BC: 140 SC: 40 OC:20

Figure : 10 : Sampling Frame

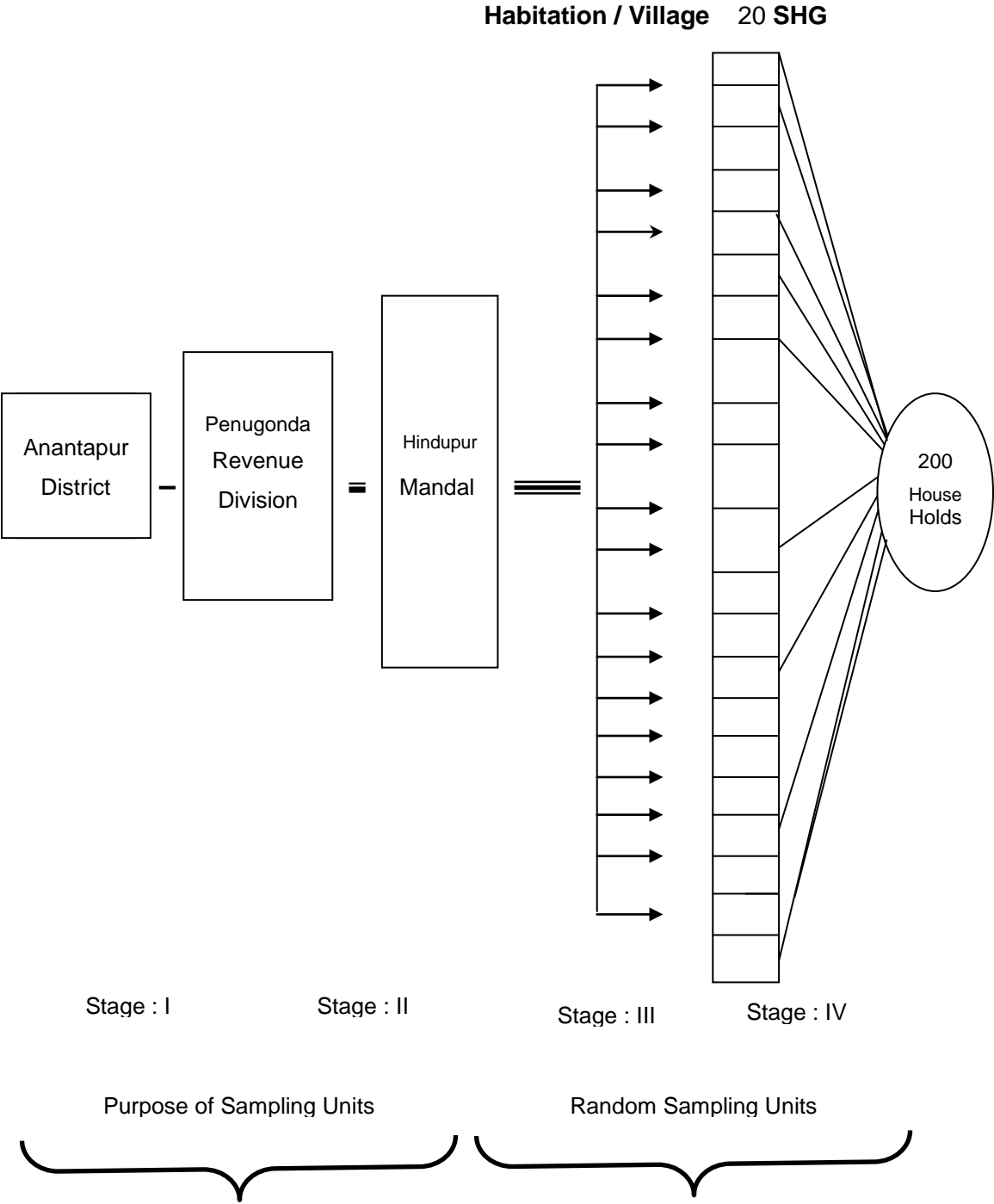


Table : 4 : Stratification of Respondent Households as per
Social Demography

S. No.,	Social Group	No. of SHGs	No., of SHG Membs.	No., of Respondent Membs.	% to Respondent Population (sample)	%to total SHG Membership (population)	%to *Universe
1.	Scheduled castes	4	60	40	20%	13.3%	1.10%
2.	Backward castes	14	210	140	70%	46.6%	4.00%
3.	Forward castes	2	30	20	10%	6.6%	0.55%
Total		20	300	200	100%	66.5%	

*universe size is 3600

Figure : 11

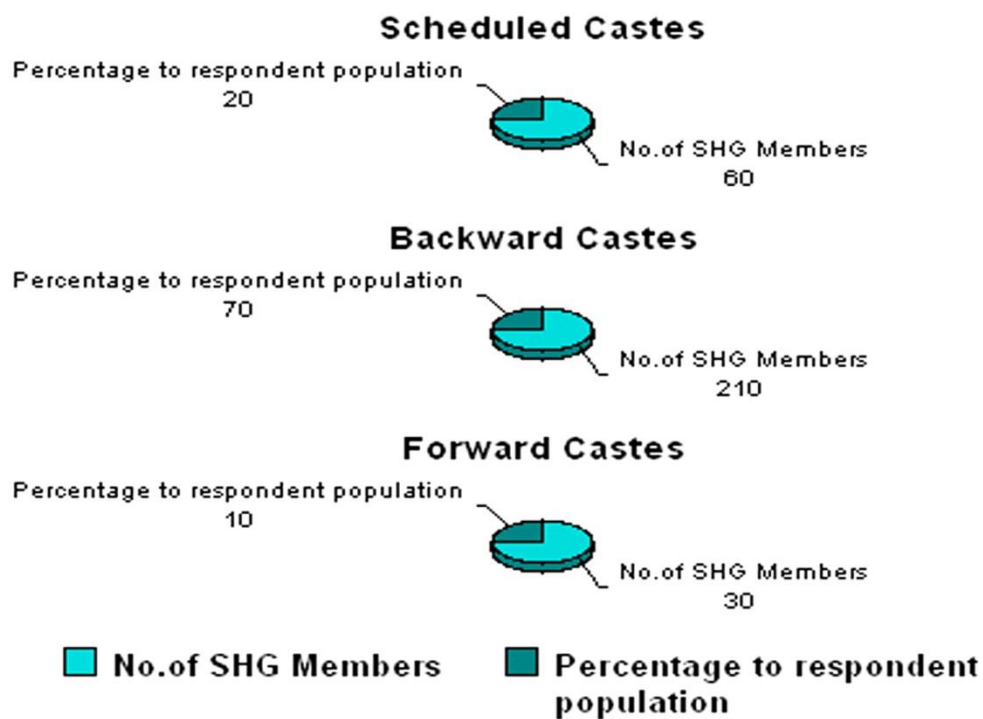


Table : 5 : Distribution of Households as per Social Category –
Determinants of Sample Size in each Category

Category	Total no., in the Universe	% in the Universe	Total no., in the Population	% in the Population	Total no., in the Sample	% in the Sample
SC	720	20%	60	20%	40	20%
BC	2520	70%	210	70%	140	70%
OC	360	10%	30	10%	20	10%
Total	3600	100%	300	100%	200	100%

The Questionnaire

The questionnaire was canvassed amongst the sample household's with emphasis mainly on two facets viz. the socio economic profile depicting the current status of the SHG members and the impact of SHG centered socio economic activities on their households.

For this purpose the questionnaire is designed in two sections. The first section helps to profile the members as per their socio economic conditions. It has 18 sections depicting the socio economic indicators. The schedule is designed as per the process of Participatory Identification of Poor.

The second section of the schedule measures the socio economic changes impacted on the households of the SHG members. The socio economic indicators are stratified into social – visible (10) and invisible (10),

economic visible (10) and invisible (4) indicators. There are altogether 34 socio economic indicators on which the impact is measured. The schedule is constructed carefully keeping in view the women centered responses for the questions and standardized after thorough field test. The generic analysis of SHGs with regards to their age, savings propensity and experience are discussed separately at the beginning before getting into impact analysis.

CHAPTER : V

SOCIO-ECONOMIC PROFILE

In this chapter the house hold socio economic details are analyzed with the help of 18 selected socio economic indicators of the members' families. They are further stratified into -

I. Family Indicators

a) Adult literacy levels; b) Children (8 to 17 years age group) Education; c) Distance to fetch drinking water; d) Type of dwelling house; e) Clothing and no., of pairs of cloth; f) House site patta under Indira Aawaas Yojana; g) Sanitation; and h) Consumer articles in the house.

II. Poverty Indicators

a) Size of the land holding; d) Food Security; g) House Hold Labor; h) Livelihood Sources; i) Children Work Condition; j) Outside Debts; k) Stress Migration; l) Family Income levels; and m) Ownership of Land.

I. Family Indicators

Table : 6 : Distribution of Adults in the Households as per Literacy Levels

S.No	Literacy Level	Male								Female								Grand Total	
		SC		BC		OC		Total		SC		BC		OC		Total			
		No.,	%	No.,	%	No.,	%	No.,	%	No.,	%	No.,	%	No.,	%	No.,	%	No.,	%
1	Illiterate	2	6	2	2	0	0	4	2	4	12	4	4	0	0	8	6	12	4
2	Up to 5 th	16	47	60	53	0	0	76	48	8	25	12	12	0	0	20	16	96	34
3	Up to 8 th	14	41	46	39	6	50	66	42	18	57	52	56	2	34	72	54	138	47
4	Up to 10 th	2	6	6	6	2	15	10	6	2	6	22	24	2	33	26	20	36	12
5	Up to12 th	0	0	0	0	4	35	4	2	0	0	4	4	2	33	6	4	10	3
Total		34	100	114	100	12	100	160	100	32	100	94	100	6	100	132	100	292	100

Literacy levels of 610 adults are profiled from the respondent households of the SHG members. The literacy levels are very low amongst scheduled castes and more so amongst women with illiteracy as high as 69 per cent. If we take aggregates of semiliterate and illiterate women amongst scheduled castes it is as high as 83 per cent. Men are better amongst the scheduled castes with 33 per cent of literacy.

In the aggregate sample 29 per cent of adults are illiterates and with semiliterate it goes to 43 per cent. Only 2 per cent are technically qualified and 7 per cent are graduates. Amongst men the illiteracy is only 11 per cent. BC women are marginally better with 39 per cent illiteracy and along with semiliterate it is 59 per cent. Interestingly even amongst other caste women illiteracy is significant compared to their men folk.

Summary : The SHG capacity building programmes have centered around numeracy and not much on literacy. The fact that 29 per cent are still illiterate without even primary education is warranting for greater emphasis on this key development intervention.

The compulsion that the adults should sign rather than put thumb impression has not resulted in functional literacy. Amongst scheduled caste SHG members especially women there is need for emphasis on adult literacy programmes. We should also seriously review the out put and end result of the national and state sponsored schemes on adult literacy and seriously look at ways and means to reform with the orientation of present results.

Andhra Pradesh is fore runner in the micro finance centered women empowerment and poverty alleviation programmes. The SHG groups, which

are studied at present, are old and have enough of capacity building inputs. In spite of favorable conditions and interventions the literacy rates are significantly low. This is more strikingly visible amongst the adult women belonging to schedule castes with 69% illiteracy.

The savings and credit programmes and related capacity building programmes should go hand in hand with literacy promotion and should be dovetailed to the on going efforts by the State in this direction. If women are literate up to primary or upper primary levels, it will have profound influence on the children especially at pre-primary ages.

Economic empowerment without the matching social empowerment especially literacy empowerment will leave gaping holes in the socio economic life of the households. It will make dent in the visible and invisible socio economic indicators. The interventions would have given better results with the fine tilth of literacy amongst the members.

Table : 7 : Distribution of Children in the Households as per Literacy Levels (8 to 17 Years Age Group)

S. No	Literacy Level	Male			Total	Female			Total	Grand Total
		SC	BC	OC		SC	BC	OC		
1	Illiterate	2(4.5)	2(2)	0	4 (2)	4(12)	4(3)	0	8(6)	12(4)
2	Up to 5 th	16(50)	60(52)	0	76 (49)	8(25)	12(11)	0	20(16)	96(34)
3	Up to 8 th	14(41)	46(41)	6(50)	66(41)	18(57)	52((58)	2(33)	72(54)	138(47)
4	Up to 10 th	2(4.5)	6(5)	2(15)	10(6)	2(6)	22(26)	2(33)	26(20)	36(12)
5	Up to 12 th	0	0	4(35)	4(2)	0	4(3)	2(33)	6(4)	10(3)
Total		34	114	12	160	32	94	6	132	292

There were totally 452 eligible children in the age group of 8 to 17 years. The study group includes boys and girls of all social sections. The highest illiteracy is amongst girl children belonging to scheduled castes. Even amongst the boys in scheduled castes the illiteracy is 6 per cent.

For the combined total the curve is at its peak up to 5 th class and then gets dropped at 8 th class slightly and there is significant drop in education at 10th class. The intermediate level education is almost insignificant.

The discussion went round the child literacy especially amongst the girl children. Many groups have norms that their children must be sent to school to be eligible for loans in the groups. This has significantly contributed to literacy promotion even amongst the scheduled castes in the second generation. It is reflected in a situation wherein mothers are highly illiterate whereas the children are better off.

The National level studies have revealed that there is tendency to drop the children from schools whenever a poor family gets loan asset.

The extra hand needed to tend the animals or other units make the girl child first casualty in her education. Next comes the boy in the order. Many groups have fixed norms that the loan asset should not result in child labor and attendant school drop out. It is hard for the family anyhow to prolong the education beyond 8 th class. The reason is that the girls reach marriageable

age in rural customs at this age or she becomes too big to afford to lose her wage at home.

Even amongst boys the retention per centage at school gets dropped after 8 th class significantly. The literacy picture is better in the third generation due to peer pressure in the group to continue education of children and less dependency on children due to better income levels made out of savings linked Bank loans.

But there is need to retain them beyond 8th class by educating the members in SHGs the need for higher education amongst their children to take up relatively better technical self employment ventures with their Bank loans. This is also relevant for girl children.

Table : 8 : Distribution of SHG Members' Families According to Income Levels

S. No.	Income Category (Rs.) p.m.	Social Classification			Total
		SC	BC	OC	
1	250 – 499	12(30)	0	0	12(6)
2	500-1499	14(35)	10(7)	4(20)	28(14)
3	1500-2499	12(30)	54(39)	10(50)	76(38)
4	>2500	2(5)	76(54)	6(30)	84(42)
Total		40	140	20	200

In the category of Rs.250 to 499 per month income range 30 per cent of scheduled caste families are located. Even amongst total sample households of 200 they constitute 6 per cent. They constitute the bottom poor category and if we recollect the discussions on participatory identification of poor, the necessity of ranking the poor according to the intensity of the poverty and also the necessity of giving higher rank to the lower income level, the category in the 2nd serial number takes priority. Majority of the scheduled caste families are located in the mid poverty category of Rs.500 to 1500/-per month income range. (35 per cent). Overall 14 per cent of the respondent households are in this category.

Majority of the households are in the range of above Rs.2500 and Rs.1500 to 2499 is marginally less with 38 per cent. Amongst the scheduled caste members household's majority are in income range of Rs.500 to Rs.1500 followed by 30 per cent in Rs.1500 to Rs.2500. None of them is in above Rs.2500 range.

The sample households are at the 30th cycle of loan since the inception of the SHG centered poverty alleviation interventions. Majority of the respondent groups have undergone considerable economic change due to asset possession and attendant income generation. Hence the income levels are relatively better off.

But, the above table clearly hints at two important inferences. One is that there is still ultra poverty category in spite of long-term intervention. The

income in the shape of wages or agriculture has gone up but requires provisions for inflatory adjustments and debt servicing costs. But the silver lining out of the analysis is that the SHG member households have significantly improved their income levels and are surging forward with better range of income almost in a stabilized frame though the analysis was done in a severe drought year.

The impact analysis further throes forays into the reasons for the change in income levels and is there strong correlation to SHG activities with the wider house hold income levels.

Table : 9 : Distribution of SHG Members' Families According to Ownership of Land

S.No.	Category	SC	BC	OC	Total
1	Owner	20 (50)	106 (72)	14 (67)	140 (70)
2	Tenant	6 (15)	0	0	6 (3)
3	Owner and tenant	6 (15)	18 (15)	0	24 (12)
4	Landless	8 (20)	16 (13)	6 (33)	30 (15)
Total		40	140	20	200

There are 20 per cent of lands less households amongst scheduled caste community. Landless ness is prevalent in all the communities (15 per cent). The ownership to land is also very much high with 70 per cent in aggregate and 50 per cent amongst the scheduled caste communities. Majority of the landowners are in backward caste communities. It is

superfluous to attribute the land possession as the SHG activity trait. The land possession is basically because of vast areas of dry land available in the area and land cost being very low and inherited land available. The second reason is the government land distribution programmes. The land is mostly dry land with mono crop.

There is tendency amongst rural agriculture families to move away from the agriculture mainframe due to several reasons. It is said that one third of the agriculture work force may come out of agriculture and move to non farm sector in this decade. The trend is more aggressive amongst the other communities who are taking up non-farm sector activities fast, moving away from farming. Land tenancy is prevalent in the scheduled caste communities to some extent (15 per cent).

SHG activity can influence the productivity of the land but not the possession of land as such because of the volume of micro credit which can enable them to buy seeds and fertilizers but not extra acre of land.

There are 15 per cent in the scheduled caste and backward caste communities who is owner cum tenants. This is an interesting trend, wherein with the newly acquired micro capital out of credit in the group which is sufficient to take extra land on lease in addition to the existing land. In aggregate there are 12 per cent households in this line of investment. It would have been more but for the availability of land for lease. Land lease is a sustainable investment for the poor. It has limitations like apprehensions in the minds of landlords to lease land to the poor. They keep it fallow rather than leasing it out. The land tenancy laws are also very much loaded against

the landowners. If there is institutional arrangement for land lease through self help group assuring the land lords the guarantee of title to the land after lease period and if SHGs can under write such lease agreements, there can be marked improvement in land based activities for the poor which are more sustainable rather than transfer of assets like animals.

Table : 10 : House Site Possession under IAY

S.No.	Category	SC	BC	OC	Total
1	Yes	34(85)	98(70)	16(80)	148(74)
2	No	6(15)	42(30)	4(20)	52(26)
Total		40	140	20	200

Indira Awas Yojana entitles for the possession of house site and majority under scheduled castes and backward communities are having house site. The reason may be that allotment of per centage reservations for these categories. In aggregate 74 per cent are possessing house site patta under IAY. On our analysis it is informed that acquiring house site pattas is very much in the agenda of groups as group collective activity. The pressure exerted by them might have worked favorably. Other reason is that the programmes in majority are dove tailed to self help groups and SHG is becoming plat form for delivery. All the house holds with their women in the SHGs are covered under the programme. This may be the reason why other communities are also equally high in per cent possession of house sites under this scheme.

There is still 26 per cent gap in possession and the respondents felt that the award of pattas is coming in campaign mode and not a contiguous programme. They are waiting for the next campaign to cover the uncovered.

Table : 11 : Distance to Fetch Drinking Water

S.No.	Distance (KM)	SC	BC	OC	Total
1	> 1	2 (5)	8 (6)	0	10 (5)
2	0.5 to 1.0	10 (25)	50 (36)	6 (30)	66 (33)
3	< 0.5	26 (65)	64 (46)	10 (50)	100 (50)
4	Within house	2 (5)	18 (12)	4 (20)	24 (12)
Total		40	140	20	200

Majority of the households are located at less than half kilometer from the potable drinking water source. There is not much difference in the availability of drinking water between the scheduled caste and backward and other communities. It may be because of the small size of habitations. In the study area Sri Satya Sai Drinking Water Project is operating and the project has made available perennial protected drinking water to all the habitations in the district. Only marginal per centage of 5 is above 1 km. Range.

The indicator cannot be correlated to the performance of the SHG but SHG can contribute elimination of caste discriminations in access to water by propagation of equality for all the communities. There are 12 per cent

households who possess water resource within house and most of them belong to backward and other communities.

Andhra Pradesh state is forerunner in the provision of drinking water facilities in rural areas. Added to that the Satya Sai Project has also significantly contributed to it. But SHGs are proactive in organizing programmes like Jala Rakhana taking rallies in the villages propagating water save measures.

I. Poverty Identification Indicators

Table : 12 : Land Holding Size

S.No.	Indicator	SC	BC	OC	Total
1	Landless	8(20)	22(16)	0	30(15)
2	1 Ha dry or 0.50 Ha wet	22(55)	42(30)	4(20)	68(34)
3	1.0 - 2.0 Ha Dry or 05. - 1.0 Ha wet	8(20)	36(26)	8(40)	52(26)
4	2 –5 Ha dry or 1 – 2.50 Ha wet	2(5)	28(20)	4(20)	34(17)
5	5.0 Ha Dry or 2.50 Ha wet	-	12(8)	4(20)	16(8)
Total		40	140	20	200

Size of the land holding is a critical factor that contributes to the economic growth of the household. There is 20 per cent land fewer houses holds amongst scheduled caste communities and the per cent in this category is significant even for the back ward communities. (16) Overall there are 15 per cent households without land possession.

The wetland conversion is 50 per cent to the dry land area, which are, standardized conversion ratios. Majority of the households in scheduled castes are in less than 1 hectare category. (55) Followed by 1 to 2 hectares (20).

The land holding size is basically determined by family economic status. SHGs are laying emphasis on non-farm activities but land still remains important possession of the household in rural areas. Even the off farm sector activities are off shoot of land like animal husbandry.

The issue of buying land through micro credit made available in the group is far from reality for the simple reason that the groups cannot afford high volume of credit to one or two members at the expense of the credit demand of the others. The Government scheme operating in the state facilitates purchase and distribution of land to the poor under Scheduled Caste Action Plan. But the efforts are insignificant in their results due to vast demand and supply gap.

There is no empirical evidence to prove that land holding size has bearing with the SHG membership and may be on long run the disposable surplus amounts of the members' house holds due to economic activities surged out of micro credit may lead to increased land possession. Anyhow the indicator remains a key guiding factor on long-term impact studies.

Table : 13 : Type of Dwelling House

S.No.	Type of house	SC	BC	OC	Total
1	House less	2 (5)	4 (2)	2 (10)	8 (4)
2	Cottage	6 (15)	4 (2)	0	10 (5)
3	Medium type pacca	20 (50)	88 (66))	6 (30)	114 (57)
4	Pacca	12 (30)	38 (27)	6 (30)	56 (28)
5	Double storied	-	6 (3)	6 (30)	12(6)
Total		40	140	20	200

Dwelling house type is a key factor to profile the household. Researchers have proved that housing constitutes the third most important priority after food and clothing. Majority of the respondent households have medium type of pacca houses. The response might have emanated from the fact that Janata Housing scheme houses are classified in this category. Moderate per cent of all social categories possess pucca houses also.

The SHG micro credit has two facets one is the small loan sanctioned out of own savings money and from group corpus, the second one being the larger loan, which is mostly from the Bank linkage. The small loan at best provides some succor for the repairs of houses or extension of it. But the institutional credit out of Bank linkage is not meant for any house construction barring a few cases of production linked work cum living houses.

As such the type of house is not having association with the SHG activity of the household womenfolk. But the analysis reveals that still there

are 20 per cent amongst scheduled caste communities who are either home less or live in cottages and overall nearly 10 per cent in that situation warrant for reinforcing and diversifying the credit activities to micro housing also. The loan products need to be customized keeping in view the long-term repayment needs.

Table : 14 : Clothing and Possession of Number of Pairs of Cloth

S. No	No. of pairs	SC	BC	OC	Total
1	2 or less	6(15)	-	-	6(3)
2	2 – 4	2(5)	-	-	2(1)
3	4 – 6	18(45)	42(30)	2(10)	62(31)
4	6 – 10	12(30)	70(50)	8(40)	90(45)
5	> 10	2(5)	28(20)	10(50)	40(20)
Total		40	140	20	200

The indicator is measured for its count by segregating the possession of dress material into 5 categories. As revealed in the analysis in aggregate only 2 per cent of respondent SHG members have less than 2 pairs of cloth. Majority of them possess 6 to 10 pairs (45 per cent) followed by 4 to 6 pairs (31per cent). The scheduled caste communities have lesser possession with 45 per cent having only 4 to 6 pairs. Even the aggregate is no better with 33 per cent having 4 to 6 pairs.

The analysis reveals that the immediate needs like dress and clothing are met with small loans out of internally generated resources of the groups. It is

also because of the group norms that prescribe tidy turnout at the group meeting and hence they possess relatively better clothing. The SHG activities have thus improved their appearance. In spite of difficulty in eliciting information in this front, the indicator signals that the SHG activities have profound influence on their dressing and appearance. The impact indicator is further probed as abstract performance indicator in the social category.

Table : 15 : Food Security

S. No.	Indicator	SC	BC	OC	Total
1	Major part of year not even 1 sq. meal a day	-	-	-	-
2	Major part of year 1 sq. meal but occasionally not even 1 sq. meal	-	--	-	--
3	Through out the year 1 sq. meal	-	12(9)	-	12(6)
4	Through out the year 2 sq. meals except few days	16(40)	16(11)	2(10)	34(17)
5	Sufficient food security	24(60)	112(80)	18(90)	154(77)
Total		40	140	20	200

Food security constitutes the most important indicator in profiling the socio economic status of a family. The performance in this front is segregated into 5 categories with extreme hunger to ultimate food security. Major respondents are located in the point 5 in aggregate (77) which denotes food security in its full form. But there are 40 per cent in scheduled caste communities and 12 per cent in aggregate who are still starving a few days a year. This is more evident in scheduled caste communities (40 per cent).

The groups on the analysis were found to be operating Rice Line Scheme locally known as Annapurna. It is a food credit scheme dovetailed to public distribution system (PDS). Under this scheme the members in SHGs have availed rice as loan and repaid on installment basis. The respondents attribute profoundly the rice line scheme which is available only to SHGs as the contributing factor for better food security. Another major reason was that the respondents in majority were ragi eaters which is staple food and cheaper compared to rice. Another contributing factor for food security is the food provided by the land lords at the time of agriculture labor. They provide a ragi ball or two as lunch and that might have contributed to the food security.

More than any other factor it is the small loan made available to the needy members as short term micro credit which can take care of their food security. It is heartening to note that there is satisfactory food security in spite of the research period being one of the worst drought periods in 52 years.

There are important interventions in the NGO sector in helping the poor to operate grain banks and in the grain banks each member contributes equal doses of food grain as deposit at the time of harvest. The needy members can borrow from the grain bank and repay in the shape of food grain with interest which is also in the shape of food grain. It is perfectly customized to self help groups. The respondents revealed that after the intervention of rice line scheme, their men folk got very much relieved with assured grain supply at the time of need. They made interesting revelations

that some of the men were not happy when the women skipped their group meetings as it may affect the food grain supply through rice line scheme. There were cases wherein men reminded the women about the meeting dates and timings so that they do not miss the meetings.

Hence, the SHG activity is found to be having profound influence on the food security factor for multifarious reasons. Interestingly it is with the respondent SHG groups as pilot project, the rice line scheme was replicated in the state after successful initial results.

Table : 16 : Sanitation

S.No.	Indicator	SC	BC	OC	Total
1	Open area	32(80)	58(41)	4(20)	94(47)
2	Community toilet without sufficient water	6(15)	2(3)	0	2(1)
3	Community toilet with sufficient water	0	2(3)	0	2(1)
4	Community toilet with water and scavenger	0	8(5)	0	8(4)
5	Own toilet	2(5)	70(50)	16(80)	94(47)
Total		40	140	20	200

Sanitation is an important contributory factor in the socio economic profile of the house hold precisely for two reasons. The first one being the village and personal hygiene and the second being the vast investment made by the government in the construction of subsidized latrines in rural areas.

The analysis reveals that as much as 80 per cent of the respondent house holds amongst the scheduled caste communities still go to open area and the aggregate is also no mean with 47 per cent. It is conspicuously evident in all the communities. Other facilities like community latrines and own toilets are insignificant in the case of scheduled caste communities and but significant amongst backward caste and other communities. (*50 and 80 per cent*).

The inhibiting factors seem to be lack of sufficient space, dislike to use home toilets, insufficient water and lack of money to construct the toilet. Significant per centage of households have constructed the home toilet but are not using it and preferring open areas.

The prevalence of community latrines is a matter of past as the Government took up destruction of dry latrines both individual and community, to prevent the social menace of manual scavenger. Hence the factor is highly insignificant amongst respondents.

The performance indicator is chosen as invisible social indicator while analyzing the impact. There is need to educate the scheduled caste community intensively on the importance of use of home toilets for health and hygiene reasons and group should play a key role in this front.

Table : 17 : Household Articles

S. No.	Category	SC	BC	OC	Total
1	None	6(15)	-	-	6(3)
2	Any One	20(50)	38(27)	6(30)	64(32)
3	Any two	6(15)	52((37)	4(20)	62(31)
4	Any three	8(20)	50(36)	10(50)	68(34)
5	Extra	-	-	-	-
Total		40	140	20	200

A. TV/Radio B. Electric fan C. Kitchen gadgets – Mixie/grinder etc., D. Extra

The house hold consumer articles denote the economic level of the families and are key reflections of the progress of the SHG members in this front. Only insignificant portion of the respondents (3 per cent) and amongst scheduled caste communities 15 per cent have reported none amongst the identified consumer articles. 50 per cent of the scheduled communities have any one of them and 20 per cent any of the three. In the aggregate analysis the respondents are evenly distributed one third each in one, two and three article possession.

There are significant revelations in this key performance indicator. The government has launched Deepam scheme providing gas stoves to the SHG member house holds. The programme, through SHG, might have contributed significant improvement in the possession of house hold gadgets.

Another key contributor is the small loan made available by the group to buy essential house hold articles on credit basis. Even the improved disposable incomes might have contributed to this possession. There is observational evidence to prove that SHG activities are contributing to the reduction of house hold drudgeries with modest possession of consumer articles. It may also be coterminous with the membership of SHG that there

is flood of consumer articles in the rural market in India and it might have naturally found place in the households of the respondents also.

Table : 18 : Household Labor

S.No.	Category	SC	BC	OC	Total
1	Bonded labor	4(10)	2(1.5)	0	6(3)
2	Women and child labor	4(10)	10(7.5)	0	14(7)
3	Adult women but no child labor	30(75)	118(84)	8(40)	156(78)
4	Adult men only	2(5)	8(6)	12(60)	22(11)
5	Others	-	2(1)	-	2(1)
Total		40	140	20	200

The indicator signifies how the family members are located with regards to the child, women and bonded labor. There was bonded labor recorded from the respondents even amongst the scheduled caste community (10%) and BC (1.5%). The definition of bonded labor (pledge of future wages for the loan with the land lord) is adhered to. Women and child labor is prevalent in the respondent house holds amongst backward and scheduled caste communities. (8 per cent) But in all the household's women contribute their labor to the extent of 80 per cent though it is less to half amongst the OC categories.

There is insignificant portion amongst the backward and scheduled caste communities wherein adult men only work. But it is conspicuous amongst other communities as their women are home bound to the extent of 60 per cent.

“No child labor”, is the watch word amongst the SHGs and groups do not give credit to the members if there is collateral damage in the shape of drop out of children from school to tend animals or maintain loan assets. Also SHG closely supervises the retention of members’ children in the school especially the girl children being the vulnerable section. Still there is prevalence of child labor as the respondent area is dominant with sericulture activities which attract child labor as cheap source. Nevertheless the contribution of SHG activity is significant in child retention in the school.

Table : 19 : Livelihood Sources

S.No.	Source of Livelihood	SC	BC	OC	Total
1	Daily labor	4(10)	2(1)	2(10)	8(4)
2	Agril. and labor	24(60)	78(56)	10(50)	112(56)
3	Artisans	0	20(14)	2(10)	22(11)
4	Salary	8(20)	40(29)	4(20)	52(26)
5	Others	4(10)	0	2(10)	6(3)
Total		40	140	20	200

The key economic factor which is source of livelihood is profiled in this table. The livelihood activities identified are mainly daily labor, agriculture and labor, artisans, salary and other sources of income.

Majority of the respondent families are dependant on family labor and agriculture as twin sources of income (50 to 60 per cent) 10 to 15 per cent of

them are artisans barring the scheduled caste community. Interestingly 20 to 30 per cent are salaried persons. The salary may be out of various Para professions in which the members are trained like bare foot referral doctors, barefoot veterinary para professionals, barefoot botanists, community auditors and master and village book keepers. SHG activities have opportunity in these semi professional lines to the members. They are construed as salaried class.

The groups are encouraging additional gainful employment with sub activities like incense stick making, tailoring etc. but the backward and other communities are catching it and the scheduled caste communities are slow to capture. The scheduled castes are still stigmatized to take up certain activities like hotel, petty trade etc., This may be the reason why there is insignificant proportion in any of these activities. The groups activities are otherwise seem to be contributing factors for resource diversification though in a humble way. Majority being agriculturists cum laborers reveals the situation of drought which has compelled even farmers above 1 hectare to migrate for labor in the off season.

Table : 20 : Children Condition (5 to 14 years) – Any One Child

S. No.	Condition	SC	BC	OC	Total
1	Non school going while working	0	2 (3)	0	2 (2)
2	Working while school going	38 (66)	22 (36)	2 (50)	62 (50)
3	Non working while school going	20 (34)	38 (61)	2 (50)	60 (48)
Total		58	62	4	124

The above table profiles children of the respondent SHG member's vis-à-vis their education. Amongst the scheduled caste respondents 66 per cent children are working while attending to school. In aggregate 50 per cent children are similar to that. But other 50% in aggregate are retained in the school full time. But this is only one third in respect of the scheduled caste communities. The analysis throes interest dynamics of the SHG activity and its influence on their children.

Increased economic activity due to availability of institutional credit through the group makes the children vulnerable especially girl children. But the groups exert peer pressure and watch school retention of their members' children. The equilibrium is resulting in majority of the children taking the duel

burden of work and education. Another contributing factor is the government campaign mode to readmit eligible children into school and retain them in the school.

The SHG members are also members of Vidya Committee (School Committee) which over sees the key functions like teachers' regularity, child retention and attendance and also schemes like mid day meal.

Especially the mid day meal scheme has contributed a lot to the retention of children in the schools. The SHG activity is significant as per observational evidence in the child education. But at the same time children of scheduled caste communities need more attention. Girl child marriage age in the respondent area is also very low at 13 to 14 years. It has also negative influence of child retention in the schools.

Table : 21 : Outside debts

S.No.	Type of debt	SC	BC	OC	Total
1	Consumption loans from informal sources	0	14(10)	0	14(7)
2	Production loans from informal sources	2(10)	22(16)	0	24(12)
3	Other expenses debt from outside sources	6(15)	22(16)	2(10)	30(15)
4	Institutional Credit alone	0	16(11)	2(10)	18(9)
5	Both institutional credit and informal sources	32(75)	66(47)	16(80)	114(57)
Total		40	140	20	200

While profiling the households as per their socio economic status, their source of financing the economic activities and meeting the consumption needs is very important. Especially the micro finance centered women empowerment and social mobilization have significant role to play in the reduction of indiscriminate informal sources from the local money lenders.

The sources of debt for the respondent families are figured out along with the reasons for borrowing. In majority cases house holds are dependent on both informal and institutional sources with an aggregate response of 57%. But there is wide variation with scheduled caste community with dual dependency at 75 per cent. But the highest is with the other communities.

It may be because of their higher credit absorption capacity due to enterprise development. Nearly 10 to 15 per cent respondents of all

categories are still depending on outside resources other than institutional credit to meet their production demand. Equally 10 to 15% are sourcing outside informal debts for other activities.

SHG activity is contributing significantly in the mobilization of the Bank linkage and the sample is qualified only with at least one cycle of Bank loan to the group. As such dependence on the outside resources is reducing but it may take some more time to completely reduce the dependency on the outside sources.

The traditional project oriented lending thought that consumption needs of the poor should be met by the economic activity of the project lending. But it is proved that the dividing line between the consumption and production needs in the case of poor is blurred.

In fact, some of the consumption needs like health and food intake contribute to the production efficiency. SHGs have become major source of credit for the family and the government is thinking of even agriculture loans through the SHGs at subsidized interest rates. There is increase in tendency to reduce informal debt burden and rely more and more on cheaper and safer institutional credit. SHG contribution is evident in this change.

Table : 22 : Reasons for Migration

S.No.	Category	SC	BC	OC	Total
1	Daily labor	10 (25)	6 (5)	0	16 (8)
2	Seasonal labor	14 (35)	4 (3)	0	18 (9)
3	Other works for livelihoods	2 (5)	26 (18)	2 (10)	30 (15)
4	Non migration	14 (35)	90 (64)	18 (90)	122 (61)
5	Others	-	14 (10)	0	14 (7)
Total		40	140	20	200

Migration for work is compelling reason for many rural households especially when the agriculture activities are not yielding in food security. The period of response was a drought situation of severe intensity.

25 per cent of scheduled caste families are migrating for the daily labor to the towns. Brick kilns, house construction and road works are major sources of daily wage. They also migrate as agriculture labors. Seasonal migration is significant amongst them with 35% and it is in aggregate 10 per cent. One third of the scheduled caste respondents are not migrating and it is significant with back ward and other communities with 60 and 90 per cent respectively.

Government programmes like Food for Work, Water Shed Development Programmes and Gramin Sadak Programme etc., are providing a kind of semi migrant work but it has significantly contributed to

the ultimate reduction in migration to far off places for work. It is heartening to note that the economic activities out of SHG centered credit and also the food security contributed by SHG activities have reduced the propensity of migration. But the scheduled caste communities who are not having sustainable agriculture base through possess a piece of land are compelled to migrate for livelihood support. Creation of safety nets and additional gainful employment through skill training with the help of SHGs can mitigate the stress migration.

Table : 23 : Preference as Expressed for Most Wanted Outside

Assistance

S.No.	Category	SC	BC	OC	Total
1	Public distribution system assistance	4 (10)	12 (9)	2 (10)	18 (9)
2	Self employment	2 (5)	50 (36)	4 (20)	56 (28)
3	Vocational/Skill training	0	56 (40)	6 (30)	62 (31)
4	Housing facility	34 (85)	2 (1)	2 (10)	38 (19)
5	Loan above Rs.1.00 L	0	20 (14)	6 (30)	26 (13)
Total		40	140	20	200

The above data was computed to elicit the preferential felt need of the respondents to keep pulse on the vision of SHG. To what extent the SHG is pinned with hopes for the house hold whose women folk are its members, can throw light on the factors that contribute to its future guidance. The preferences are short listed after an exercise with the wish lists of the respondents. The 6 short listed aspirations is reflection of the house hold aspirations. The analysis revealed wide variation in the preferences amongst communities. While the scheduled caste communities' preferred housing facility (85 per cent). None of them was interested in vocational skill and very little in self employment. It has historical reasons like social stigmatization attached to the scheduled communities including their products. They still remain hung to preferences like housing or public distribution food grain ration cards. Whereas majority of their counter parts wanted self employment

and vocation skills (30 to 40). There is significant demand amongst them for institutional credit of one lakh above to set up their own units.

The SHGs should sphere head the investment opportunities with map of resources and training required for it. The groups are slowly moving towards “above one lakh rupee” loans and they can also main stream their members to the Banks for individual activities. The significant growth of activity is giving the individual members to attain escape velocity and the group may not be in a position to handle higher volume of credit to one or two members at the expense of micro needs of other members. While encouraging the individual entrepreneurship there is need to unburden huge credit demand by main streaming them to the Banks. But the groups still can underwrite such loans and exert peer pressure in loan recoveries.

Diagram : 1 : Distribution of Adults as Per Literacy Levels

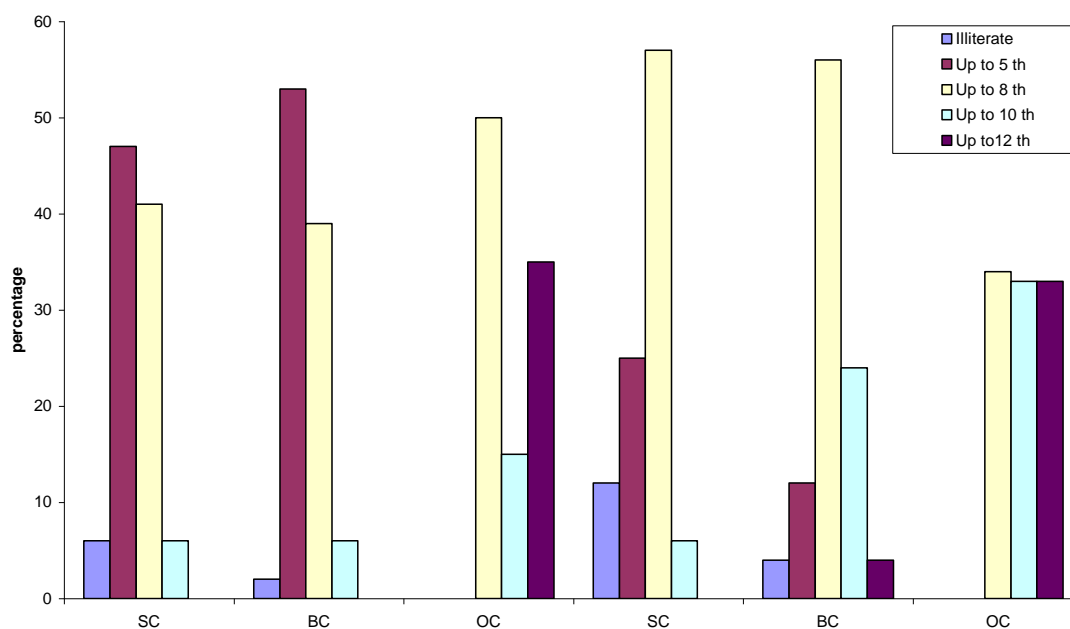


Diagram : 2 : Child Literacy

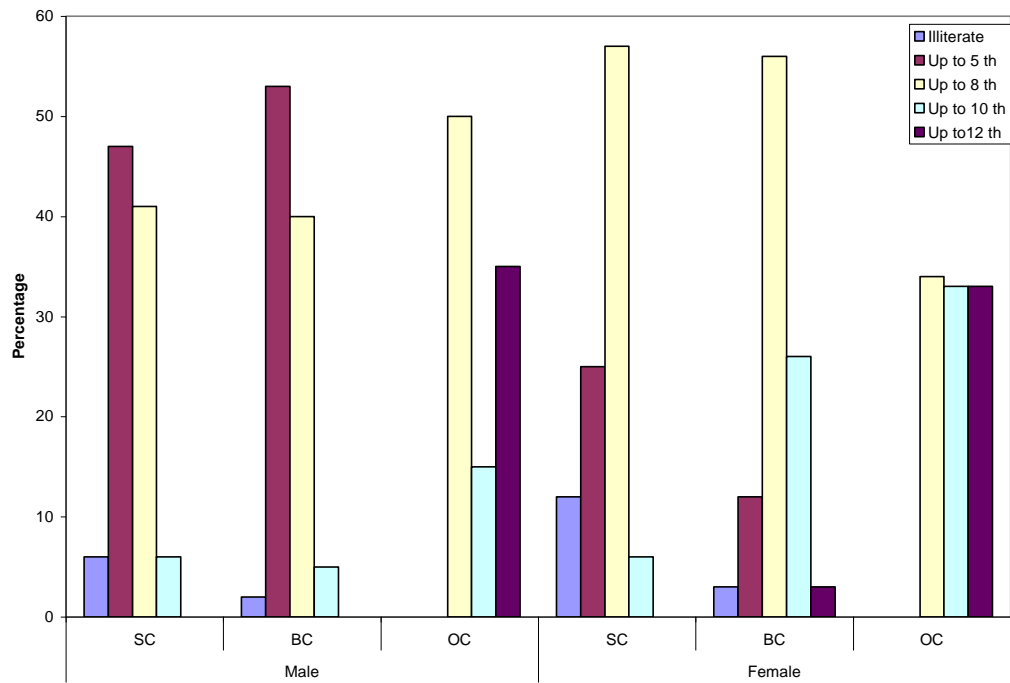


Diagram : 3 : Monthly Household Income of SHG Members

Diagram : 4 : House Site Possession

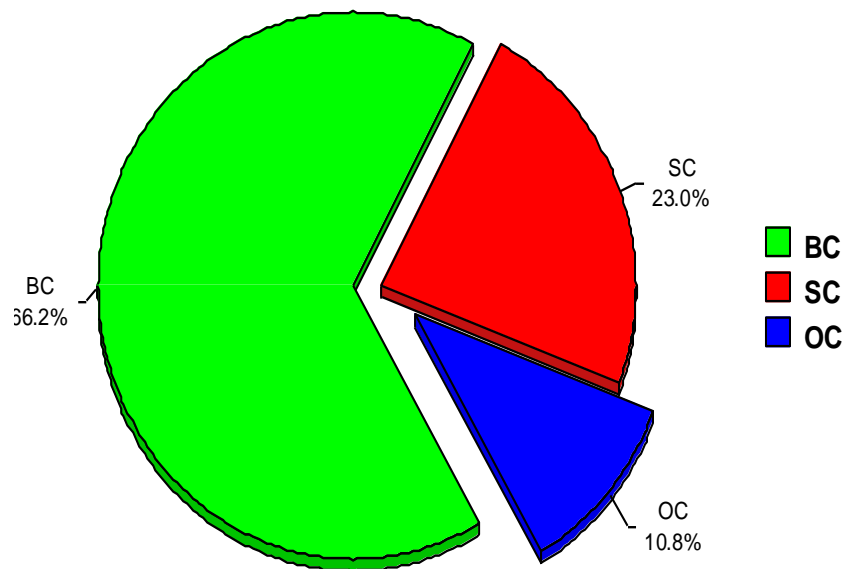


Diagram : 5 : Distance to fetch Drinking Water : OC

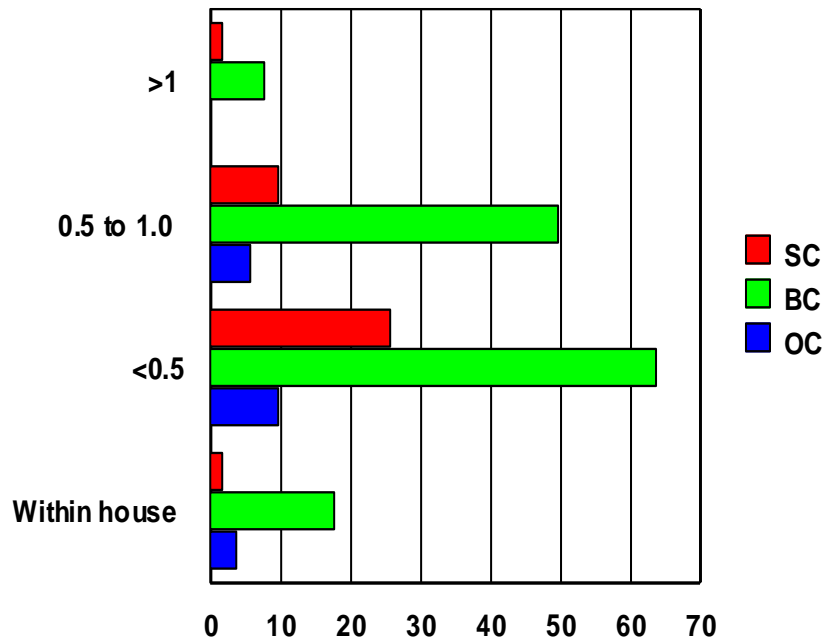


Diagram : 6 : Landholdings Status

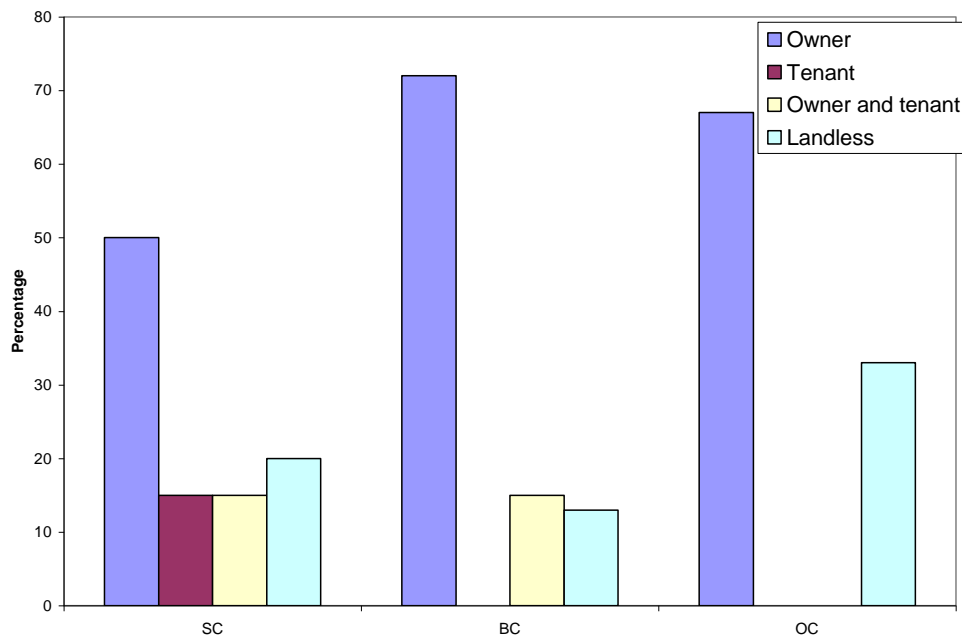


Diagram : 7 : Type of Housing

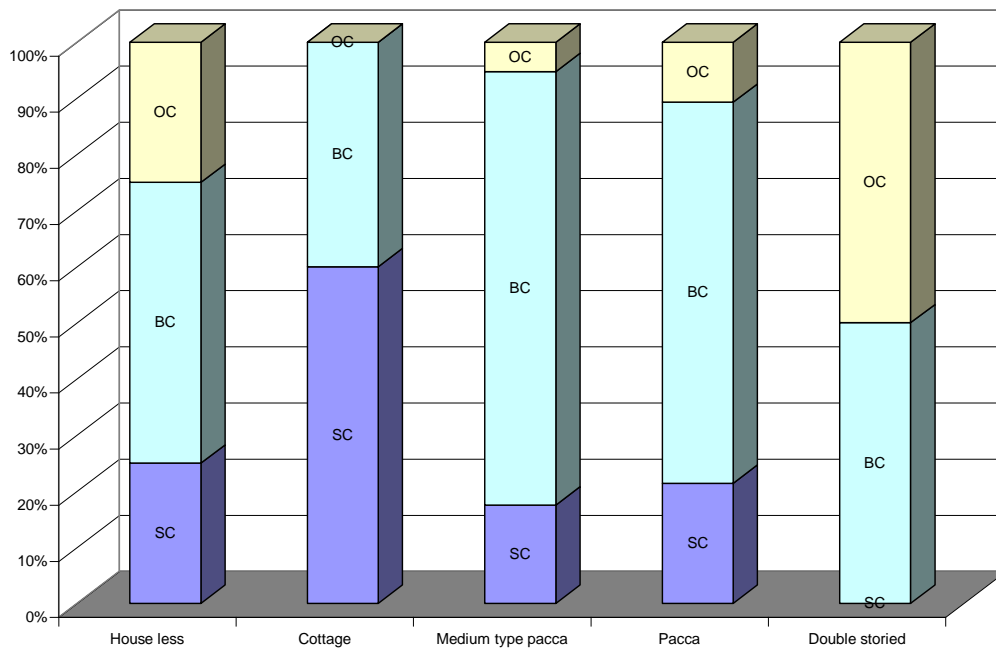


Diagram : 8 : Clothing

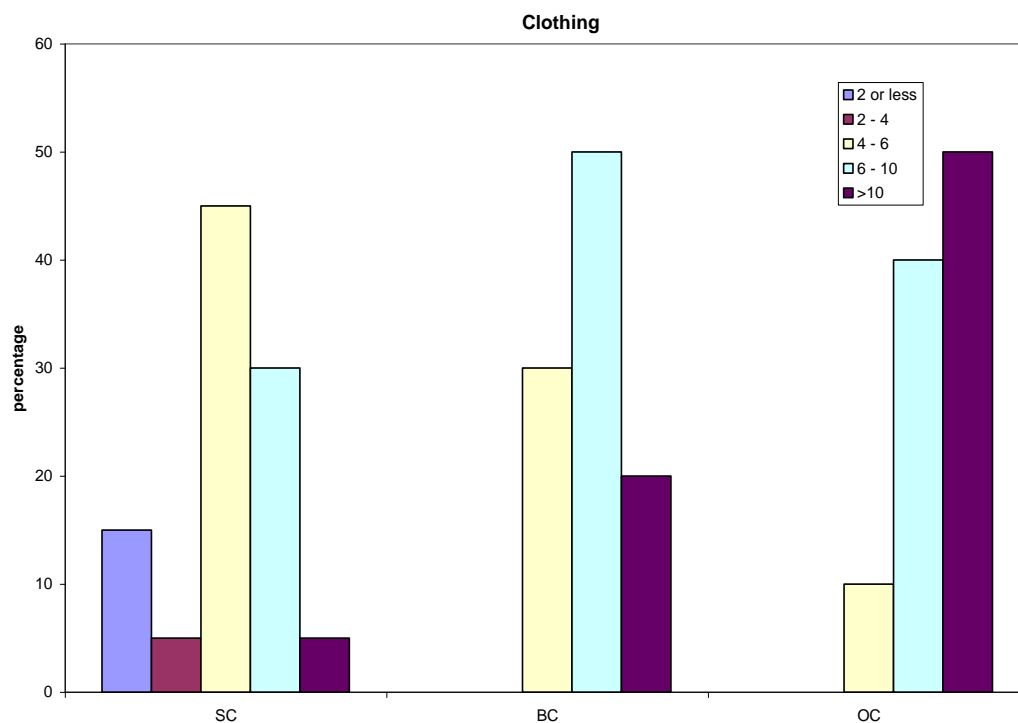


Diagram : 9 : Food Security of the Respondent Households

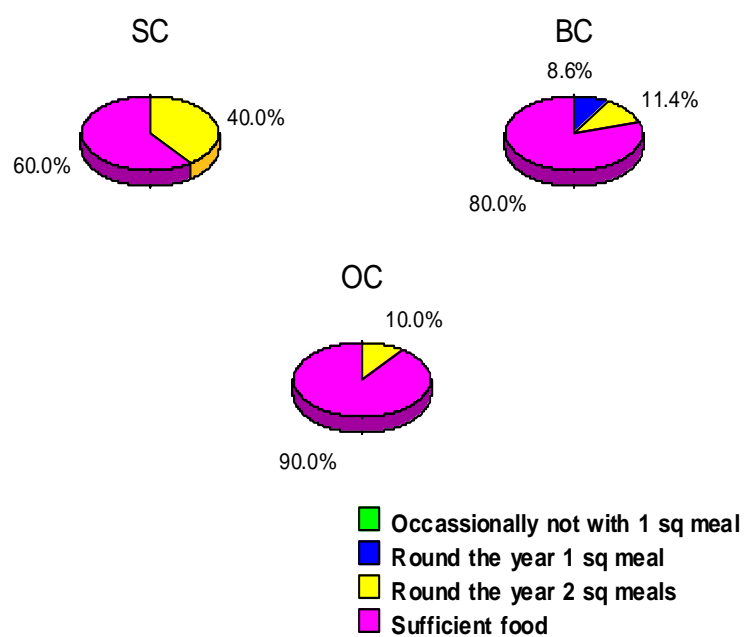


Diagram : 10 : Sanitation Facilities

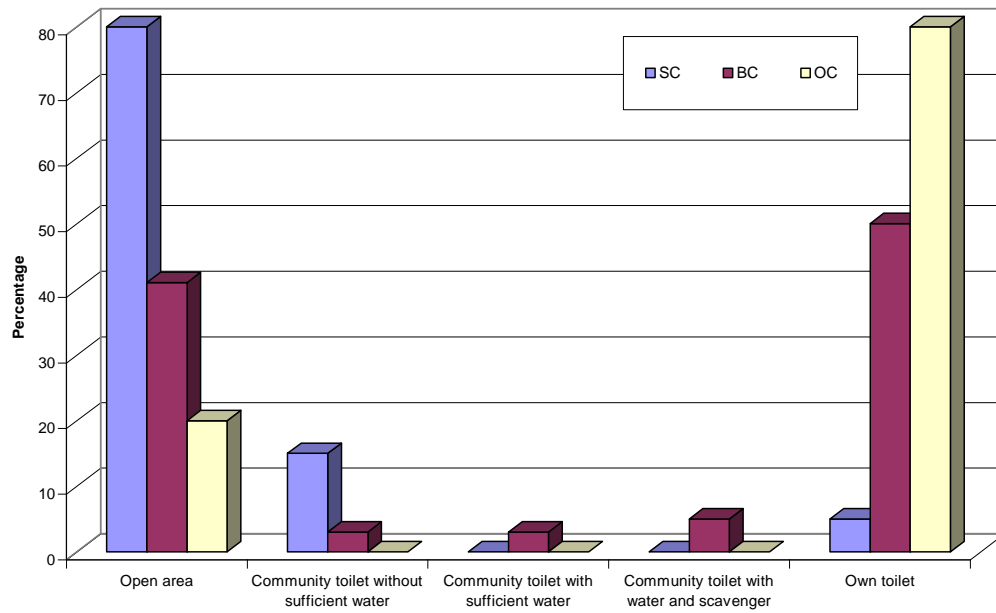


Diagram : 11 : Consumer Articles

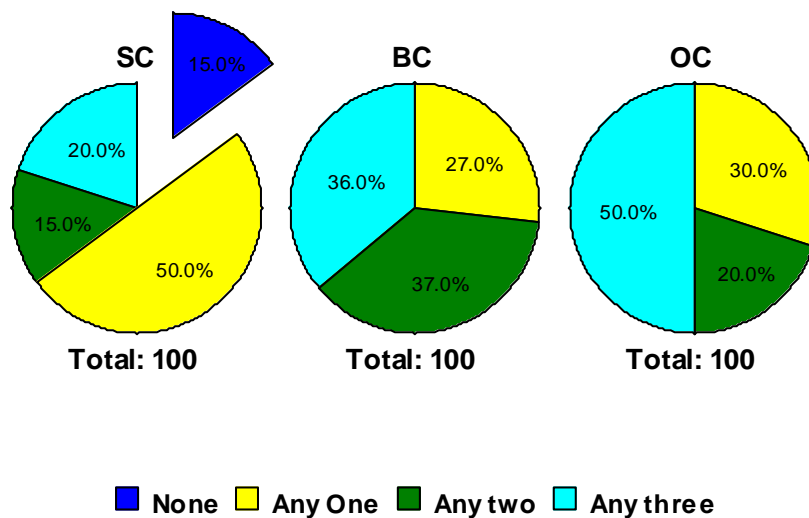


Diagram : 12 : Household Labour

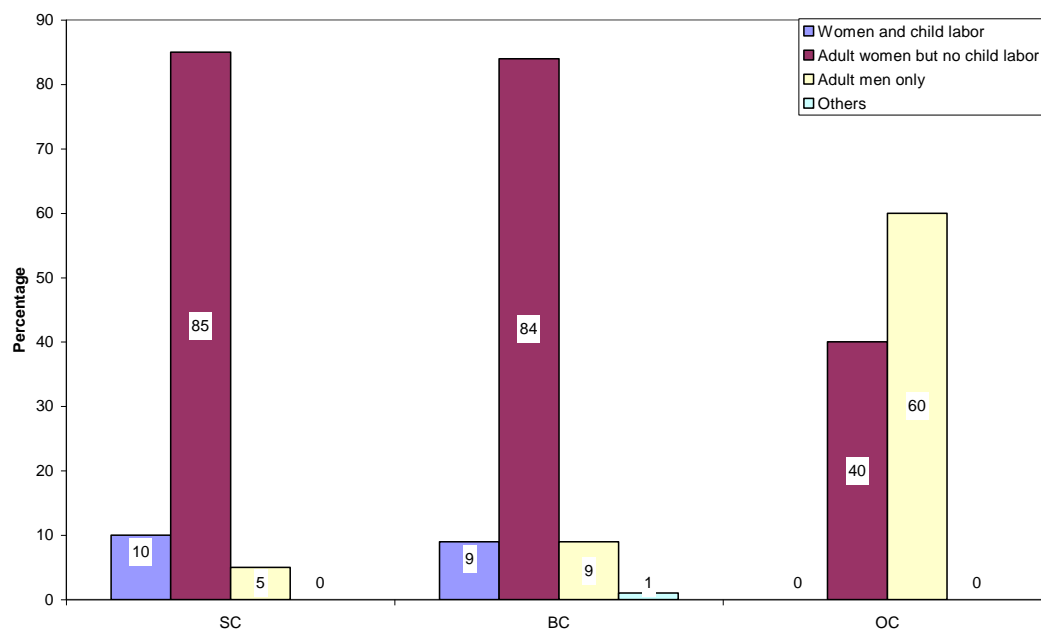


Diagram : 13 : Livelihood Sources

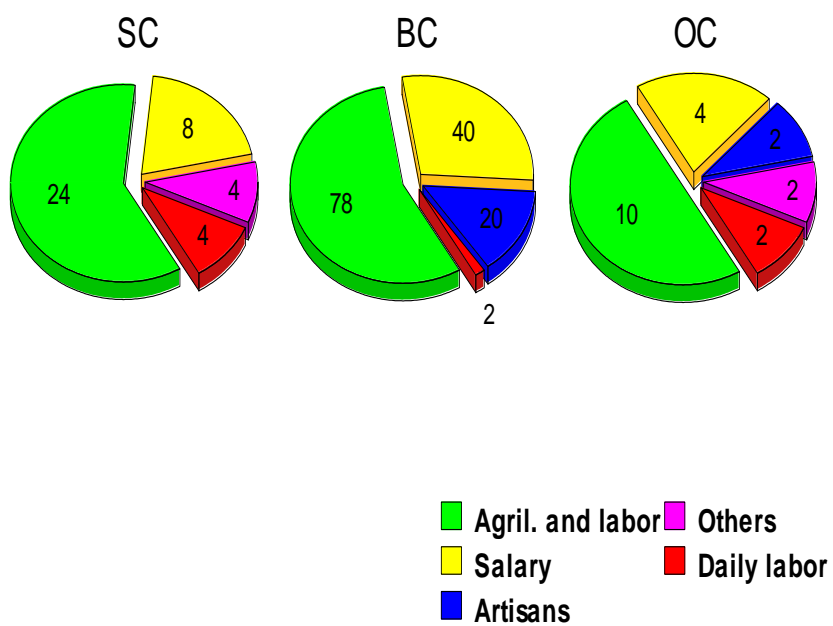


Diagram : 14 : Condition of Children

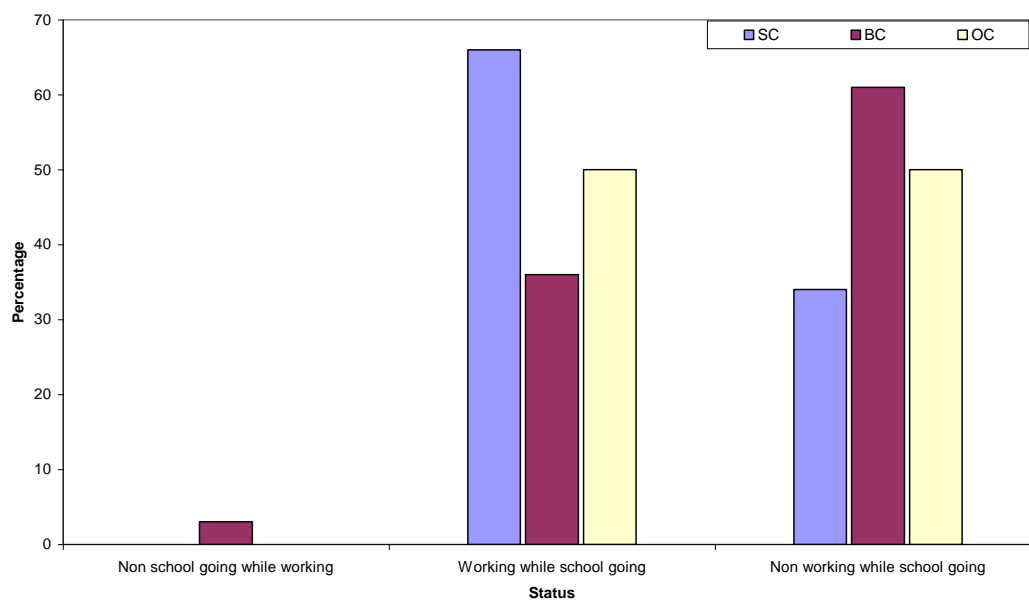


Diagram : 15 : Outside Debts

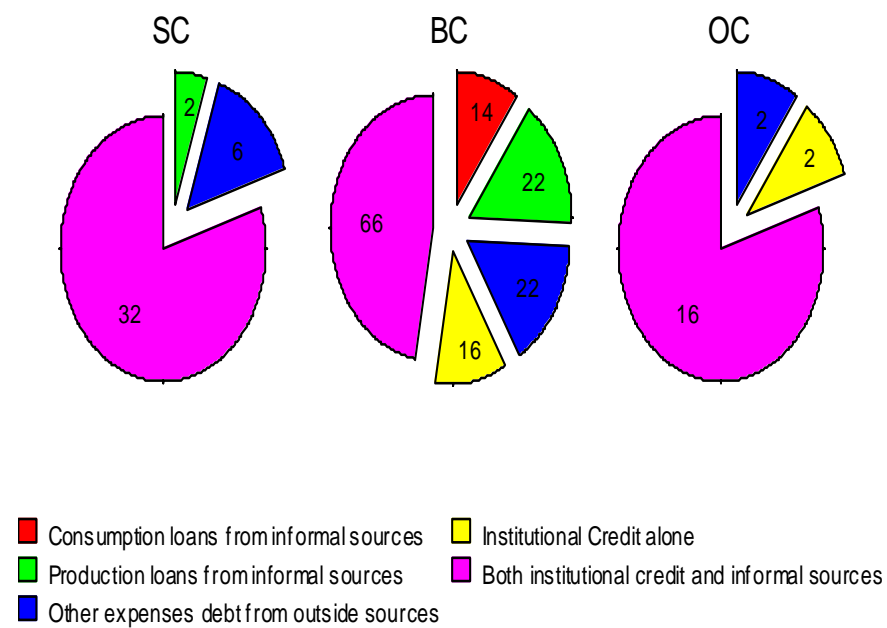


Diagram : 16 : Reasons for Migration

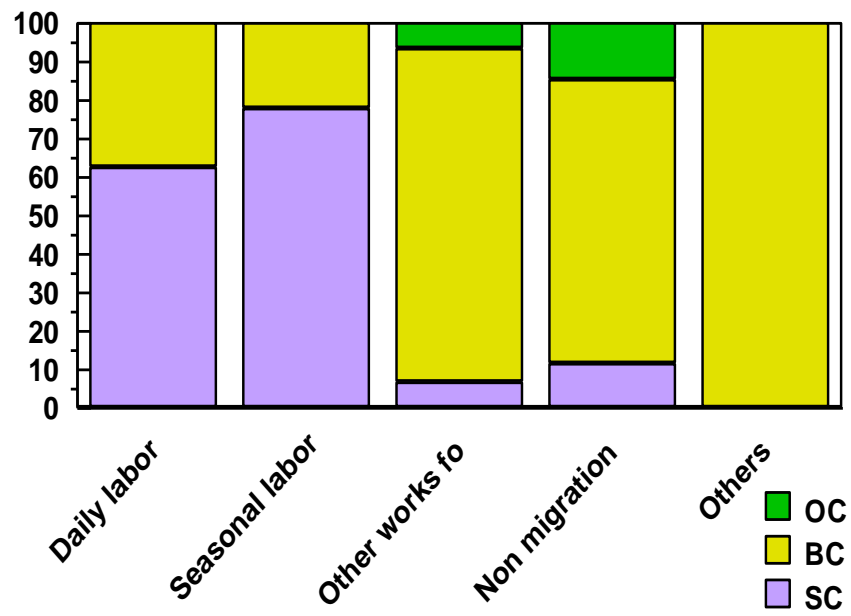
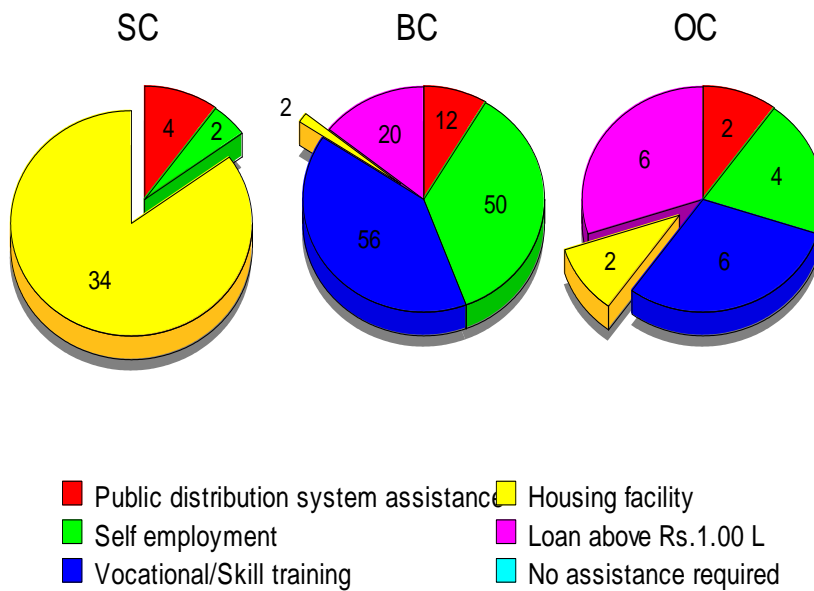


Diagram : 17 : Preference to Outside Assistance



CHAPTER : VI

SOCIO ECONOMIC IMPACT ANALYSIS

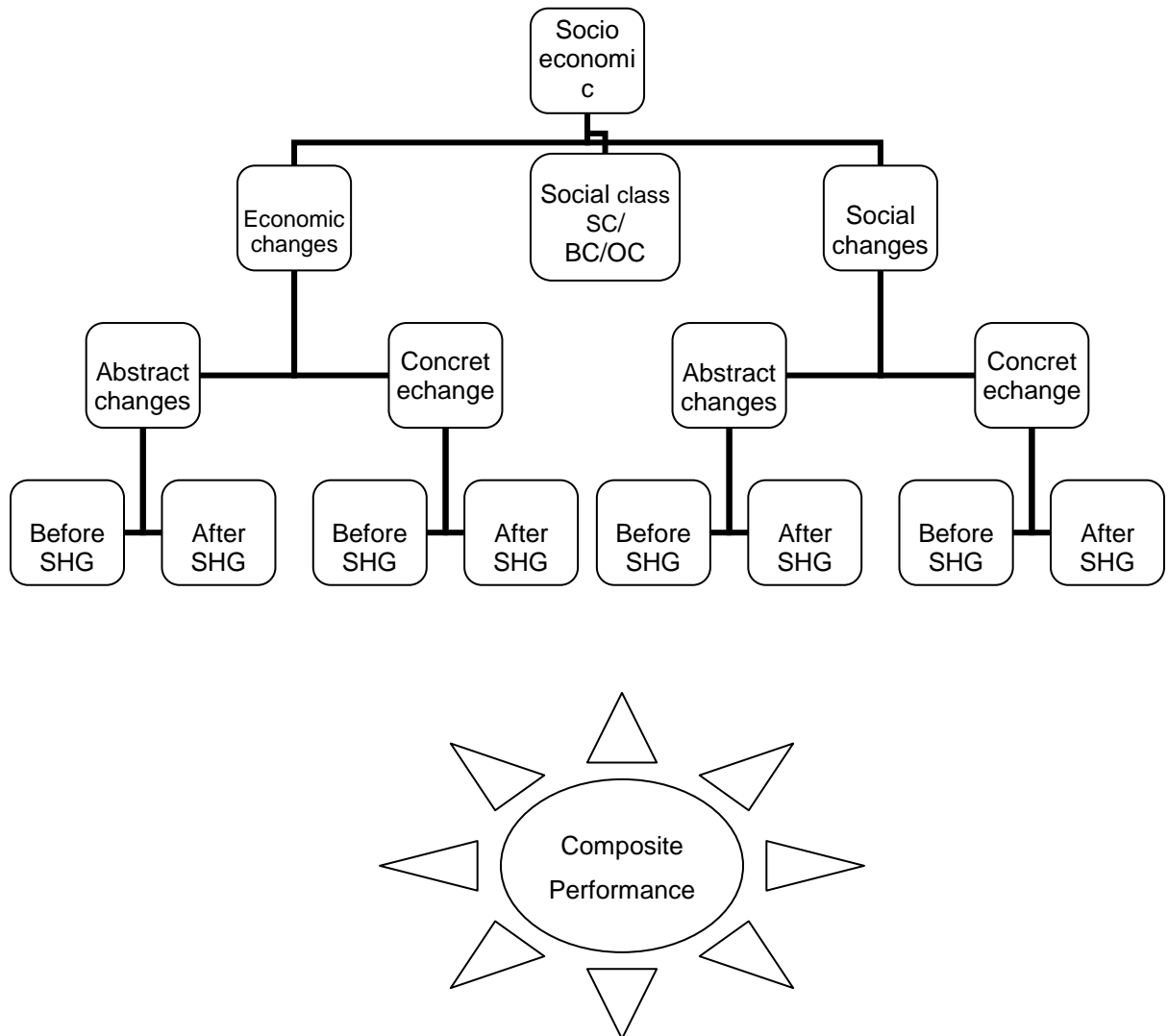
Impact Analysis

Impact is measured as the difference in the magnitude of given performance indicator between the pre and post SHG situations.

In this chapter the deepening effect of the SHG activities of the women on their respective house holds is analyzed. To capture the changes and the attendant impact created; the socio economic variables are constructed carefully avoiding the variables which have no lineal and direct influence of SHG activities and socio economic changes. The house hold is the ultimate area of influence and not the individuals as it is scientifically established by many researchers that the socio economic influence out of individual participation has direct impact on the household living.

All the variables may not be concrete and visible externally and some of them may bring in abstract and invisible changes. There is need to capture the abstract changes also that influence the direction of the programme. Hence they are also carefully captured after wide range of consultations with the experts through pre-selected indicators.

Figure : 12 : Impact Research Design



I. SOCIAL INDICATORS

A. Visible Indicators	B. In-visible Indicators
<ul style="list-style-type: none"> ➤ Experience in SHG ➤ Propensity of Savings ➤ Leadership in SHGs ➤ Representation in local formal Village Institutions ➤ Adult Literacy Levels ➤ Children Education and School Retention (Boys and Girls) ➤ Social Mobilization and participation in Community Based Organizations ➤ Prevalence of Bonded Labor (adults and children) ➤ Health Care ➤ Skills in Para Professional Work 	<ul style="list-style-type: none"> ➤ Dress and Appearance ➤ Status in the Family and Decision Making Power ➤ Family Hygiene ➤ Village Hygiene – Clean Environs ➤ Articulation and Village Problem Solving ➤ Caste and Social Discrimination ➤ Awareness about Government Programmes ➤ Leisure Time Utilization ➤ Gender Inequality and Discrimination ➤ Right based approach

II. ECONOMIC INDICATORS

A. Visible Indicators	B. In-visible Indicators
<ul style="list-style-type: none"> ➤ Family Incremental Annual Income ➤ Productive Working Days ➤ Productive Household Assets ➤ Improvement in Dwelling House ➤ Family Net Worth ➤ Borrowings from Money Lenders ➤ Institutional Credit (Bank Loan) ➤ Additional Gainful Employment ➤ Stress Migration ➤ Micro Insurance 	<ul style="list-style-type: none"> ➤ Food security ➤ Availability of Cash for Emergent needs ➤ Credit Absorption Capacity ➤ Credibility with the Banks

Statistical Analysis

The results are compared and contrasted and inferences are drawn. For this purpose statistical tools like Pearson's Chi Square Test are employed in addition to simple per centages and averages.

The pre and post situation is analyzed skillfully without over lap or over generalization of results. The combined results from multiple interventions are delineated and care is taken to correlate the influence of SHG activities to their end impact as a lineal relationship.

The present research claims that whatever change in the socio economic living of the SHG members' households is attributable to their SHG activities and the variables are chosen carefully, amply justifying that they are amenable for change due to SHG activities. Those variables which are also influenced by factors other than SHG activities and attendant spread effect are avoided to establish direct lineal relationship between the variables and the socio economic change. Hence, the present research is rooted at the premise that :

1. The SHG activities have direct lineal influence over the socio economic indicators.
2. The influence and attendant change spreads over the entire household and not confined to individual member alone.
3. Such changes are both abstract and concrete but are equally important to measure the real impact.
4. Specialized statistical tools can accurately analyze the significance of such change.

5. The responses about change are elicited from the primary stakeholders directly resulting in zero seepage of information.

Generic Group Analysis

Table : 24 : Experience in SHG (No., of years)

S. No	Experience	Total
1	3 - 4 years	13(6.5)
2	4 to 5 years	8(4)
3	> 5 years	179(89.5)
Total		200

The respondents being well experienced with the SHG membership, its duties and responsibilities may reflect upon precisely as to what impacted their socio economic lives before and after seeking membership in SHG.

None of the respondents is less than 3 years in SHG experience. They informed that they are at the 30 th loan cycle on an average at SHG level. The experience is not widely varying amongst the social class and even the scheduled caste respondents were amply experienced in the SHG activities. Experience in the SHG activities is the major attributable factor that influenced the socio economic lives of its members and their livelihoods.

Experience also justifies the present research which claims that the change in the selected socio economic variables of the SHG members' households is attributable to their SHG activities and the variables are chosen carefully, amply justifying that they are amenable and functions to change vis-à-vis SHG activities.

Hence, the responses recorded from different categories of responses are not influenced by their differential experience.

Table : 25 : Savings Propensity - Average Savings Outstanding in the SHG

Sl. No	Range of savings	SC		BC		OC		Total	
		No., of Res.	%	No., of Res.	%	No., of Res.	%	No., of Res.	%
1	From Rs.1001 to Rs.2000	9	22.5	22	16	7	35	38	19
2	From Rs.2001 to Rs.3000	10	25.0	42	30	6	30	58	29
3	> Rs.3001	21	52.5	76	54	7	35	104	52
Total		40	100	140	100	20	100	200	100
Chi-square: 5.28, df=4, p>0.05, NS									

**: p- value < 0.01 Highly Significant; * P- value <0.05 significant

NS indicates non-significance -p value >0.05

Savings is the entry point activity of the SHG and savings propensity is defined as the rate of savings per month and the outstanding balance in savings accounts of individual members.

There is underlying reason for the inclination to save amongst the poor irrespective of their social class. Thrift is deferred consumption and the women wanted to save for the rainy day to meet emergent needs.

Hence, we can conclude that SHG activities have positively influenced the women to save irrespective of social category. The fact that 52% of the members are having above Rs.3000 savings in the group and none of them have less than Rs.1000 signifies that the poor could build a savings corpus to be eligible for institutional credit, to meet the emergent needs and invisible feel of the confidence that micro endowment is available for the uncertainties of the future.

The savings is the gateway for the activities resulting in changes in socioeconomic variables and we have to verify further whether the three social categories significantly differ in their savings propensity.

Null Hypothesis

There is no positive and significant difference amongst the SC, BC and OC categories as far as savings propensity is concerned. The test results indicate that the social categories are not varying much in their savings propensity.

The commonality in savings propensity amongst the social categories is because of the compulsory savings in the group and default will attract penalties in the group meeting. Another reason for common identity with the savings is the loan eligibility and savings is the pre requisite for external bulk loan which is maximum 4 times to the savings money available in the members' account.

The reasons for even the socially backward SC and BC categories being on par with the forward caste categories is that savings is the common cementing bond and is compulsory for the members to continue in the group. Another and perhaps the most important reason is that poor are amenable for savings activities as they are

equally or perhaps more concerned about the uncertainties in income due to internal poverty and external environmental factors. Hence they have equal anxiety to create an endowment in the shape of savings.

The right interventions coupled with motivational factors from the interveners can help the poor to build an endowment of corpus against their uncertain income shocks.

Today, in Andhra Pradesh the SHG women are saving Rs.1 crore every day and their savings corpus is touching Rs.2000 crores. It is not surprise to state that the 64 lakh women in SHGs are avoiding money lenders up the need of Rs.500 credit need (95% probability). We can infer that the SHG activity has tremendously contributed to the savings as endowment for the households of the SHG members.

Table : 26 : Leadership in SHGs

Worked as SHG leader	SC	BC	Others	Total
Yes	11	59	13	83
%	27.5	42.1	65.0	41.5
No	29	81	7	117
%	72.5	57.9	35.0	58.5
Total	40	140	20	200
Chi-square: 7.8, df=2, p<0.05*, Significant				

**: p- value < 0.01 Highly Significant; * P- value <0.05 significant

NS indicates non-significance (p value >0.05)

An attempt was made to analyze the leadership issue and incidence of member becoming the leaders of the SHG, a graduation from ordinary to lead

membership. The fact that 40% could graduate to leadership role is a welcome change. The leadership responsibility reflects in social empowerment opening the opportunities to lead other community based organizations and further formal village institutions like Panchayats.

The respondents revealed that as per the SHG best practices; a subject on which they are thoroughly trained, the leadership in the group has to be rotated once in a year. As such many of them got the opportunity to lead the group. Group leader is responsible for strategic functions of the group like regular meetings, delinquency management, bank linkages and achievement of overall objectives of the group. We wanted to know whether there is variance amongst the three social categories on assuming the SHG leadership.

Null Hypothesis

There is no significant difference amongst the SC, BC and OC categories in assuming the role of SHG leadership. The test reveals that the SC, BC and OC members are significantly varying in assuming the leadership role.

The results lead to the inference that there is no ample opportunity in the group for SC women to take up the mantle of group leadership. Or they may be socially stigmatized and may be hesitating to come out of historical inhibitions of untouchability, marginalization and suppression. There are instances where upper caste members are not accepting SC members to be the group leaders.

Leadership is a trait which has to be acquired and it is all likely that the SC women also slowly and steadily learn the skills of managing the groups and assume

leadership role. But interveners need to motivate them and co-members should encourage their SC colleague members to assume the leadership responsibilities. Then only SHG can become a truly effective instrument to reduce social inequalities. If SHG activities do not contribute to the social equity, the interveners and policy makers should seriously re look at their programme design as SC women are real Dalits amongst the Dalits. The SHG being a powerful equalizer and unifying force can reduce the social inequalities to a great degree.

Socio Economic Impact Analysis

Social Changes : VISIBLE (CONCRETE Indicators)

Table : 27 : Representation in Local Formal Village Institutions

Local Formal Village Instns.	SC (n=40)				BC (n=140)				Others (n=20)				Total (N=200)			
	Before		After		Before		After		Before		After		Before		After	
	n	%	n	%	n	%	n	%	n	%	n	%	n	%	n	%
Nil	39	97.5	35	87.5	139	99.3	124	88.8	19	95	19	95	197	98.5	163	88
Sarpan.	1	2.5	4	10	1	0.7	11	7.7	1	5	1	5	3	1.5	16	8
MPTC	0	0	1	2.5	0	0	5	3.5	0	0	0	0	0	0	8	4
p Value	0.01**				0.003**				NS				0.000**			

** : p- value < 0.01 Highly Significant; * P- value <0.05 significant

NS indicates non-significance (p>0.05)

Empowerment comes when there is mobility in the formal local institutions which are proactive delivery platforms for all the social and economic development

programmes. The representation in the local bodies is a real test to know whether the SHG centered social mobilization has induced the poor women to take up the mantle of leadership in local village institutions in the spirit of self and mutual help from external delivery mode. Village Panchayats, Mandal Praja Padishads and Zilla Praja Parishads are the formal village institutions which are grass roots local bodies. They incubate peoples' representatives and are popularly known as nurseries for political institutions in India.

The women in overall number have made strides in the local bodies though in a very humble way (12.5% aggregate positive responses). Especially amongst SC women there is growth of 2.5 to 10 per centage overall which may further go up in the earlier future. It is imperative that the women are slowly holding the offices in the village formal institutions and the 73rd amendment to Panchayat Raj Act is a big fillip in this endeavor. But we should also accept the fact that though trend suggests a slow change, the absolute figures suggest the women towards better participation in the local village institutions. The empowerment comes not only by women occupying the posts but really getting the decision making power. Because there are many instances where the women are ceremonially occupying office of local bodies as figure heads, with the real power vested with their men folk.

The data is further put to test for its significance in change and impact before and after SHG activities with the following null hypothesis. Pearson Chi-Square test is applied to test the hypothesis.

Null Hypothesis

There is no significant and positive differential impact before and after SHG activities amongst the SC, BC and OC categories as far as representation in local village institutions is concerned.

All in all there is high significance in the impact.

The impact is highly significant with regards to the change brought in by SHG activities in holding office in local village institutions concerning the SC and BC categories and there is no significant change amongst the OC categories on the same issue.

The change is directly attributable to the SHG activities as the capacity building programmes were designed to sensitize the SHG members about 73 rd Amendment of Panchayat Raj Act. They are encouraged by their co members to contest and hold offices of local village institutions. The information was shared up to policy level and the suitable programmes were designed to motivate more and more women join mainstream formal village institutions as its office bearers.

The question of OC members lagging behind in this regard is attributable to the reservation policy and every gram panchayat is predetermined on quota reservation basis. The respondent OC members' villages might not have been in the OC category list or the chances are that they might not have reached the level of motivation to contest and hold office. Hence change in their regard is insignificant.

Without SHG being the prime motivator for more and more women representation in local village institutions, the results would not have been so significant. This is to be contrasted with the States where SHGs are not proactive and reports reveal that in the States where SHGs are active women representation in local

village institutions is also significant. Hence the present findings are in consonance with the generalized view and we can attribute the SHG activities directly for the positive social change.

Table : 28 : Adult Literacy – Impact Analysis

Literacy Level	SC				BC				Others				Total			
	Bef		Aft		Bef		Aft		Bef.		Aft		Bef.		Aft	
	n	%	n	%	n	%	n	%	n	%	n	%	n	%	n	%
Illiterate	37	92.5	8	20	88	62.9	10	7.1	15	75	9	45	140	70	27	13.5
Can sign	2	5	31	77.5	35	25.0	89	63.6	4	20	11	55	41	20.5	131	65.5
Can read & write	1	2.5	1	2.5	17	12.1	41	29.3	1	5	0	0	19	9.5	42	21.0
Total	40	100		100		100		100	20	100	20	100	200	100	200	100
p Value	0.000**				.000**				.000**				.000**			

** : p- value < 0.01 Highly Significant ; * P- value < 0.05 significant

NS indicates non-significance (p>0.05)

There was 68% of illiteracy in aggregate before seeking membership in SHG whereas it is reduced to 12% after. This is with the premise that even ability to sign is also construed as literacy. There is striking difference in per centage of women who can sign but can not read (from 67% to 21%). In the case of SC women the illiteracy has not changed much except that 30% could sign additionally after getting into SHG activities. In the case of BC women the literacy growth levels is strikingly visible before and after SHG activities. 12% of women have increased to 29% in ability to read which absolute indicator of literacy is. Their illiteracy has come down

significantly from 63 to 5% if the signature and functional literacy combine are considered. But only 29% can read amongst them even after getting into SHG activities. Only 2% of SC women could read or write even after getting into SHG activities.

The literacy levels of women are alarmingly low in spite of huge budgetary investments on literacy promotion activities. This is more so in the case of SC women who are deprived of minimum literacy.

The noted feature of the study of this particular performance indicator is that the interveners are highly successful in training them to sign but are expected to do a lot in the case of functional literacy. The change is tested for its significance amongst the three categories with the following statistical analysis.

Null Hypothesis

There is no significant and positive impact before and after SHG activities amongst the SC, BC and OC categories as far as adult literacy level is concerned. There is highly significant change in all the categories individually and all in all in aggregate before and after the SHG activities. We can conclude that SHG activities have helped the women to learn signing but not imparted functional literacy. The change in literacy levels is also not uniform and SC women could not make much head way in functional literacy. It is note worthy finding as the government is spending huge sums in the promotion of adult education and huge amounts have gone in the case study groups also on adult education. Yet the women are illiterate especially the SC women and the facilitators of the programme should realize that

literacy alone can contribute to growth in real terms. Mere signing their names can not be the end of their responsibility. The groups should also apply peer pressure on their women to learn reading and writing and world wide it is proved that the women can become functionally literate however illiterate they are, if there is concerted will to make them literate.

Table : 29 : Children Education

Sl No	Change in Children Education	SC				BC				OC				Total			
		Boy s	%	Girl s	%	Boy s	%	Girl s	%	Boy s	%	Girl s	%	Boy s	%	Girl s	%
1	Unchanged from non school going	6	10	10	14	2	1	1	1	0	0	0	0	8	3	11	5
2	From non school going to elementary	1	2	23	31	51	40	43	38	0	0	0	0	52	20	66	28
3	From non school going to high school and above .	5	8	16	24	3	3	3	2	0	0	0	0	8	2	19	8
4	Elementary education unchanged	14	22	12	16	0	0	0	0	4	6	2	6	18	7	14	6
5	From elementary to high school & above	30	52	8	11	31	24	46	39	29	43	20	51	90	37	76	32
6	High school & above unchanged	3	6	2	4	42	32	27	20	35	51	20	43	80	31	49	21
Total		59	100	71	100	129	100	120	100	68	100	42	100	256	100	225	100

Children education was profiled with the details of all the eligible (above 6 years) 256 boys and 225 girl children belonging to the households of the respondents. The mobility in education before and after their mothers got into SHG activities was analyzed. The level ranged from elementary school up to high school and above. Amongst SC boys 10% remain unchanged without going to school. 22% of them remain unchanged at elementary school level. But maximum mobility came in the category of children moving from elementary to high school level. Amongst SC girls the education mobility occurred to the extent of 31 per centage from non school going to elementary education. 22% continued it up to high school.

Amongst BC children 40% mobility is found from non school going to elementary education. Another 43% moved up from elementary to high school. Overall there is 20 to 30% mobility in education from non school going to elementary and elementary to high school.

The SHG activity is attributable factor in children school education for two reasons. The first reason is the peer pressure and group norms that prescribe compulsory primary education for the children. The respondents revealed that it was closely watched and implemented by the group.

The second reason is the affordability moving away from earlier compulsions to drop the children from school for extra income. The notable feature is that the campaign mode of literacy promotion is coterminous with the growth phase of SHG activities. It is very difficult to conclude that whatever has been achieved in education field is because of SHG activity. But the contributory role played by the

SHG as motivator for children education can not be ignored. Apart from motivation, economic mobility has strong correlation with the children continuity in the school, especially in the case of girl children. The analysis reveals that girl child education is best impacted, the reason being very low performance prior to the group activities and even mild intervention could give striking results.

The data also reveals a striking phenomenon i.e. there is excellent school retention from elementary level to high school for both boys and girls. The SHG with its peer pressure operations and also better family liquidity with income generating activities with the assistance provided by the group vis-à-vis the Banks might have been responsible for committing the children to the school, including the girl children.

Further, to know whether there is significant difference before and after SHG activities in the children education front, statistical analysis was carried out. For this purpose the households are segregated on weighted average of one child per household whether boy or girl.

Null Hypothesis

There is no significant and positive impact before and after SHG activities of SC, BC and OC categories as far as their girl children's education is concerned.

Table : 30 : Girl Child Education – Impact Analysis

Edn. Level	SC				BC				Others				Total			
	Bef.		Aft		Bef.		Aft		Bef.		Aft		Bef.		Aft	
	N	%		%		%		%		%		%		%		%
Not going to school	15	37.5	0	0	74	5.29	8	5.7	0	0	0	0	89	44.5	8	4
Elementary	21	52.5	4	10	43	30.7	61	43.5	3	15	3	15	67	33.5	68	34
Upper primary	3	7.5	10	25	11	7.9	15	10.7	13	65	3	15	27	13	28	14
High school & above	1	2.5	26	65	12	8.6	56	40	4	20	14	70	17	5	96	48
Total	40	100	40	100	140	100	140	100	20	100	20	100	200	8.5	200	100
p Value	.000**				.000**				.000**				.000**			

** : p- value < 0.01 Highly Significant ; * P- value <0.05 significant

No star indicates non-significance (p > 0.05)

As the results indicate there is positive and highly significant impact on girl children education before and after SHG activities amongst SC, BC and OC categories and all the respondents put together.

The results lead us to the inference that the peer pressure in the groups to send their children to schools has positive influence on the girl children education. The capacity building programmes are designed to the groups incorporating the social agenda of children education. Hence the highly significant impact in this particular social performance indicator.

Micro finance is blamed in the third world countries for its collateral damage to the children's education as child labor is employed to maintain the loan assets. Girl child is worse causality.

Unless, the specific capacity building programmes are designed and conditions are stipulated that the micro lending activities should not lead to collateral damage, which is well taken care in the present programme there are bound to be fall out harmful results.

Table : 31 : Boy Child Education – Impact Analysis

Edn.Level	SC(n=40)				BC(n=140)				Others(n=20)				Total(N=200)			
	Bef.		Aft		Bef.		Aft		Bef.		Aft		Bef.		Aft	
	n	%	n	%	n	%	n	%	n	%	n	%	n	%	n	%
Not going to school	15	37.5	0	0	19	13.6	0	0	0	0	0	0	34	17.0	0	0
Elementry	21	52.5	20	50.0	36	25.7	25	17.9	4	20.0	4	20.0	61	30.5	49	24.5
Upper primary	2	5.0	14	35.0	44	31.4	66	47.1	8	40.0	2	10.0	54	27.0	82	41.0
High school & above	2	5.0	6	15.0	41	29.3	49	35.0	8	40.0	14	70.0	51	25.5	69	34.5
p Value	.000**				.000**				.000**				.000**			

** : p- value < 0.01 Highly Significant ; * P- value <0.05 significant

No star indicates non-significance (p>0.05)

Null Hypothesis

There is no significant and positive impact before and after SHG activities of SC, BC and OC categories as far as their boy children's education is concerned.

There is significant variance between the pre and post SHG activities on boy child education in all the 3 categories and all in all analysis.

When many a promotion activities like DPEP, Mid day meal and *Sarvasikha Abhiyan* are operating is it the SHG that has contributed to the boy child education and school retention?

The government sponsored programmes are operating universally and before and after the SHG activities were to take place. The reaction level responses were that the habitations and communities where there are no SHG activities the school retention and children education is at lower ebb. The economic reasons of better liquidity and social reason of group pressure have positively contributed to the significant impact for all the social categories and we can attribute the perceptible social change to the SHG activities.

Table : 32 : Social Mobilization into Community Based Organizations (CBO)

CBO	SC (n=40)				BC (n=140)				Others (n=20)				Total (N=200)			
	Before		After		Before		After		Before		After		Before		After	
	n	%	n	%	n	%	n	%	n	%	n	%	n	%	n	%
Nil	37	92.5	0	0	134	95.7	0	0	12	60	0	0	183	91.5	0	0
Mothers' commit.	0	0	4	10	2	1.4	6	4.3	1	5	2	10	3	1.5	12	6
School committee	1	2.5	4	10	1	0.7	6	4.3	3	15	5	25	5	2.5	15	7.5
Water users Asn.	2	5.0	6	15	3	2.1	8	5.7	4	20	8	40	9	4.5	22	11
Village Orgn.	0	0	26	65	0	0	120	85.7	0	0	5	25	0	0	151	75.5
p Value	.000**				.000**				0.001**				.000**			

** : p- value < 0.01 Highly Significant ; * P- value <0.05 significant

NS: indicates non-significance (p > 0.05).

Social mobilization is defined as motivating the civil society to form collectives towards common good. SHGs have been cradles of social mobilization to assume membership and leadership roles in various community based organizations. The community based organizations (CBO) are platforms for the delivery of government programmes. Amongst SC respondents there is 10% mobility to Mothers' Committee before and after the SHG activities. Maximum mobility is there into Village Organizations, a network of community level SHGs.

The SHG activity provided opportunities for synergetic social mobilization into the parallel community based organizations and in a village the multiple memberships reveals the proactive role played by the capacity building programmes to motivate SHG members towards the CBOs for their socio economic growth.

Further attempt is made to verify whether each of the social categories has been exhibiting variance before and after SHG activities in motivating their members to join and take the responsibility to manage lateral Community Based Organizations.

Null Hypothesis

There is no significant variation amongst the SC, BC and OC categories before and after SHG activities as far as participation in community based organizations is concerned.

There is significant variation in all the categories as far as mobilization into community based organizations is concerned. It is a good beginning for strong community institutions are prerequisite for sustainable poverty alleviations. They

become instruments for delivery of state sponsored services and the creation of a demanding society leads to transparent implementation of government sponsored programmes. The people own the process of delivery and they are responsible for the maintenance of community assets. They take care of their needs and design micro level plans accordingly. Hence the significant shift to community based organizations is inspirational synergetic effect.

The analysis precisely leads us to the conclusion that for the socially and economically marginalized communities CBOs is a contributory factor for significant social change.

Is the Change a function of SHG Activities ?

The answer is assertively in favor of the contributory role played by SHG activities through sensitization about the roles and responsibilities of community-based organizations. They have set the vision for the community based organizations and the social mobilization process already existing in SHGs has its root at the spirit of strengthening the community institutions by leading them from the front. Hence SHGs activities have been positive contributors to this change.

Table 33 : Prevalence of Bonded Labor - Children

Status of Bonded labor	SC (n=40)				BC (n=140)				Others (n=20)				Total (N=200)			
	Before		After		Before		After		Before		After		Before		After	
	n	%	n	%	n	%	n	%	N	%	n	%	n	%	n	%
No	36	90	38	95	138	98.6	140	100	20	100	20	100	194	97	198	99
Yes	4	10	2	5	2	1.4	0	0	0	0	0	0	6	3	2	1
p Value	.000**				NS.				NS.				.000**			

** : p- value < 0.01 Highly Significant ; * P- value <0.05 significant

NS indicates non-significance (p > 0.05), N.A. not applicable

Bonded labor is the scourge of the society. It is the worst manifestation socio economic backwardness, more so if the prevalence pertains to children. Here to elicit the information about the prevalence of bonded labor and how the SHG activities contributed to eliminate the social menace of bonded labor, we have taken the definition provided by ILO as standard factor to judge the bonded labor.

If the future labor is pledged in lieu of the credit or advance drawn from the land lord and if such labor is not getting regular wage with the premise that wage is appropriated to the interest portion of the loan or advance taken, such arrangement is construed as bonded labor.

In SC children there is reduction in prevalence of bonded labor from 10% to 5% after SHG activities. All in all there is reduction from 3% to 1%. To test whether there is variation in the prevalence of bonded labor before and after the SHG activities statistical analysis was made.

Null Hypothesis

There is no significant change before and after SHG activities as far as prevalence of bonded labor of children.

The analysis reveals that there is highly significant variation in bonded labor prevalence amongst the SC categories and overall. The prevalence of bonded labor was insignificant even before the SHG activities in the case of the BC and OC categories and as such we can not infer that they are influenced by the SHG activities with regards to bonded labor of children.

Further, the question of attributability of SHG activities for this positive social change when the government is having laws strongly loaded against the bonded labor is debated with the respondents.

SHG centered micro finance has provided the house holds with amounts to repay the outside debts including encumbrance against bonded labor. The cash flows of the family through institutional credit have helped them to move out of this scourge towards self employment or investment in own farms and trades.

We can safely assume that SHG activities played decisive role in the reduction of children bonded labor, directly through group norms and indirectly through alternate economic activities.

The activities of SHGs have equally contributed to reduce bonded labor cutting across the caste lines. The collateral advantage of economic mobility has their manifestation in liberation from bonded labor and we can infer that SHG activities have positively contributed in reducing the bonded labor. We have tried to

measure the change in the case of adult bonded labor with the following matrix and statistical analysis.

Null Hypothesis

There is no significant change before and after SHG activities as far as the prevalence of bonded labor of adults is concerned.

Table : 34 : Prevalence of Bonded Labor - Adults

Status of bonded labor	SC (n=40)				BC (n=140)				Others (n=20)				Total (N=200)							
	Before		After		Before		After		Before		After		Before				After			
	n	%	n	%	n	%	n	%	n	%	n	%	n	%	n	%	n	%	n	%
No	37	92.5	39	97.5	138	98.6	140	100	20	100	20	100	100	195	97.5	199	99.5			
Yes	3	7.5	1	2.5	2	1.4	0	0	0	0	0	0	0	5	2.5	1	0.5			
p Value	NS				NS				NS				.000**							

** : p- value < 0.01 Highly Significant ; * P- value <0.05 significant

NS indicates non-significance (p>0.05), n.a. not applicable

The prevalence of bonded labor is not widely visible as it was the case a decade ago, thanks to the efforts of the civil society organizations. Still there is need to know the prevalence rate as an ultra poverty indicator.

There is considerable reduction in bonded labor and the overall change is proved to be highly significant.

SHG activities have had perceptible influence on this change as revealed by the members that they have short listed the members' households with the help of

facilitators and prioritized their loans for the release of bonded labor. As a result there is only one house hold left whose case is also being taken up for demonstration of zero tolerance to bonded labor either adult or child.

SHGs should also further protect the households from the trap of bonded with suitable capacity building programmes and group norms.

Table : 35 : Health Indicators

No	Health Care	SC				BC				OC				Total					
		Before		After		Before		After		Before		After		Before			After		
		n	%	n	%	n	%	n	%	n	%	n	%	n	%	n	%	n	%
1	Vaccination	40	100	40	100	140	100	140	100	20	100	20	100	200	100	200	100		
2	Prenatal care	29	73	34	85	111	79	129	92	20	100	20	100	160	80	183	91		
3	Post natal care	29	73	34	85	111	79	129	92	20	100	20	100	160	80	183	91		
4	Institutional delivery	11	28	33	84	112	79	136	97	20	100	20	100	143	71	191	95		
5	Delivery at home by trained dayi	29	73	7	18	28	20	4	3	0	0	0	0	57	28	11	5		
6	Protection from infection and diseases	12	30	40	100	123	87	139	99	18	90	18	90	153	76	197	99		
7	Nutrient deficiency	34	85	30	75	98	70	72	51	12	60	10	50	144	72	112	56		

Health indicators are chosen carefully to measure how SHG activities have contributed to the health care which is very important performance indicator at house hold level. Vaccination is prevalent 100% amongst respondents before the SHG activities. Pre natal care has marginal improvement. Most important contribution is in the shape of institutional delivery and the respondents revealed that after seeking membership in the SHG, the most important health care taught to the members is the institutional delivery which has bearing on Infant Mortality Rate (IMR) and Mother

Mortality Rate (MMR). Even in the case of nutrition deficiency there is visible change. The capacity building programmes in health for the SHG members and the services of para professional health workers made available by the SHGs rendering referral services effectively might have contributed for significant improvement in health practices of the members after seeking SHG membership. Similarly the economic affordability with the availability of micro loans also is a contributory factor in this positive change.

The intersect oral dispersions in change in health care are measured for the selected few indicators like pre and post natal care and general health care.

Table : 36 : General Health Care

General Health Care	SC (n=40)				BC (n=140)			Others (n=20)				Total (N=200)					
	Before		After		Before		After	Before		After		Before			After		
	n	%	n	%	n	%	N	%	n	%	n	%	n	%	n	%	%
No	30	75.0	7	17.5	27	19.3	0	0	0	0	0	0	57	28.5	7	3.5	
Yes	10	25.0	33	82.5	113	80.7	140	100	20	100	20	100	143	71.5	193	96.5	
P Value	0.0093**				.000*			#				.000*					

** : p- value < 0.01 Highly Significant ; * P- value <0.05 significant

No star indicates non-significance (p>0.05), n.a. not applicable

No measures of association are computed for the cross tabulation. At least one variable in each 2-way table upon which measures of association are computed is a constant

Null Hypothesis

There is no significant variation in general health care of household members before and after SHG activities amongst SC, BC and OC categories.

There is highly significant change before and after the SHG activities as far as general health care is concerned with all in all categories except amongst OC category. The question of attributability of SHG activities for the perceptible change in health care is studied and the responses were assertive that SHGs had lot of orientation on health care and at the end of every group meeting there was small capsule of capacity building programme delivered about the health components like vaccination, pre and post natal care, institutional delivery and nutrition. Hence, we can safely assume that whatever change is scored has its root at SHG activities.

Further, except in the case of prenatal care, other health factors have been internalized by the SC households equally on par with other communities. The SHG activities provided them equal opportunity and we can assume that if intervention strategies are community friendly, the results can be equally encouraging for the social down trodden communities also which is a note worthy feature.

But prenatal care is also important and general poverty factors might have contributed to low intake of nutrient food, lack of awareness in mother care and attendant ignorance which needs to be corrected.

Table : 37 : Skills in Para - Professional Work

Paraprofessional skill	SC (n=40)				BC (n=140)				Others (n=20)				Total (N=200)							
	Before		After		Before		After		Before		After		Before				After			
	n	%	n	%	n	%	N	%	n	%	n	%	%	n	%	%	n	%	n	%
No skill	12	30	6	15	47	33.6	19	13.6	3	15	3	15	15	62	31	25	12.5			
Health worker	0	0	0	0	0	0	3	2.1	0	0	2	10	0	0	15	7.5				
Vet. worker	0	0	0	0	0	0	11	7.9	0	0	3	15	0	0	14	7				
Book keeper	0	0	0	0	0	0	8	5.7	0	0	0	0	0	0	8	4				
Artisans	2	5	2	5	22	15.7	33	23.6	4	20	0	0	17	8.5	35	17.5				
Petty trade	14	35	28	70	60	42.9	48	34.3	7	35	15	75	81	40.5	91	45.5				
others	12	30	4	10	22	15.7	18	12.9	6	30	0	0	40	20	22	11				
p value	.001**				.000**				.002*				.000**							

** : p- value < 0.01 Highly Significant ; * P- value <0.05 significant

NS indicates non-significance (p>0.05), #n.a. not applicable

Association with SHGs activities has provided the women to find new frontiers in engaging their leisure time for gainful activity. The intensive capacity building engagement with the SHG members has resulted in their acquiring skills in para professional activities. Petty trade was the most popular engagement with 30% responses and there was good change brought even amongst the SC respondents. Further, to know the degree of variation in acquiring paraprofessional skills before and after SHG activities amongst the three social categories statistical analysis was made.

Null Hypothesis

There is no significant change before and after SHG activities in acquiring paraprofessional skills at household level amongst the SC, BC and OC categories.

There is perceptible impact in acquiring para skills before and after SHG activities in all the three categories. SHG activities were at the root, helping women foraying into new paraprofessional engagements. The SHG activities found the new domain paraprofessionals due to capacity building inputs provided by the facilitators of the groups. There was captive demand for these services amongst their co members and peers. The cattle they have acquired through micro loans required veterinary services at their door steps. Similarly health referral services were identified as priority. Book keepers were required to up date the group level savings and credit details and minutes of the group meetings.

Hence, the SHG activity was behind the surge of new paraprofessional skills and we can attribute the change to SHG activities. The test results prove that given the opportunity the SC women are equally responsive to the extrinsic motivation to divert their productive hours to additional gainful employment. The key input required is skill training and the para professional vocations like community auditor, master book keepers, animators and bare foot doctors are some such opportunities which synergize the new groups and also earn them extra income.

Social Changes -

Invisible (Abstract Indicators)

Table : 38 : Dress and Appearance

S. No.	Measurement of Change	SC		BC		OC		Total	
		No.	%	No.	%	No.	%	No.	%
1	Unchanged from low level of tidy dress and appearance	13	33	11	7	2	10	26	13
2	Change from low level of appearance to medium level of tidy appearance	27	67	59	42	6	30	92	46
3	Unchanged from medium level of tidy appearance	0	0	31	22	5	25	36	18
4	Change from medium level of tidy appearance to better level of appearance	0	0	39	29	7	35	46	23
Total		40	100	140	100	20	100	200	100

Dress and appearance reveals enthusiasm in life in general and group activities in particular. Majority of the respondents have revealed that they have started looking tidy after getting engaged with the SHG activities. Group norms prescribe that the members have to attend to the SHG meeting in a tidy manner with the best available attire. The group activity has brought at least 50% change in the appearance of the group members which is also true in the case of SC members. The fact that there are still some members unchanged is to be noted by the interveners.

The women have to meet the bankers and government officials regularly and tidy dress code can help them win the confidence of the bankers or government officials. Prior to SHG activities men folk were meeting the officials and women remained home bound. The social mobilization has direct influence over their appearance and we can conclude that SHG activities have significantly and positively impacted their dress and appearance.

Further, differential impact in the change in dress and appearance is analyzed to know whether the women have been appearing significantly better way.

Table : 39 : Dress and Appearance

Dress and appearance	SC (n=40)				BC (n=140)				Others (n=20)				Total (N=200)			
	Before		After		Before		After		Before		After		Before		After	
	n	%	n	%	n	%	n	%	n	%	n	%	n	%	n	%
Low	40	100	13	37.5	69	49.3	12	8.6	12	60	2	10	119	59.5	27	13.5
Medium	0	0	27	62.5	71	50.7	88	62.9	8	40	11	55	81	40.5	126	63
High	0	0	0	0	0	0	40	28.6	0	0	7	35	0	0	47	23.5
p Value	NS				.000**				.000**				.000**			

** : p- value < 0.01 Highly Significant ; * P- value <0.05 significant

No star indicates non-significance (p>0.05), n.a. not applicable

No measures of association are computed for the cross tabulation. At least one variable in each 2-way table upon which measures of association are computed is a constant.

Null Hypothesis

There is no significant impact before and after SHG activities amongst the three social categories as far as the dress and appearance of the members is concerned. As the test results signify there is significant impact of SHG activities on the dress and appearance of the members. Attribution to SHG activities for the present social change is logically positive for precisely two reasons. The women have affordability to buy better cloth. The groups have norms that the members should attend the meeting tidily.

Socially stigmatized scheduled caste women are slow to change in their appearance for the simple reasons of poverty, social stigma attached to their attire and lack of motivation from other house hold members for better appearance in social gatherings and meetings. The capacity building programmes should aim at brining awareness about tidy appearance and the women should think that it is not the money that brings tidiness but the attitude, breaking age old social stigma plumbing into their lives.

Table : 40 : Status in the Family and Decision Making Power

S. No.,	Family Decision Making level and Status in the family	SC		BC		OC		Total	
		No.,	%	No.,	%	No.,	%	No.,	%
1	Unchanged from low level of family decision making role and status in the family	13	33	11	8	2	10	26	13
2	Change from low level of decision making and family status to medium level.	27	67	59	42	6	30	92	46
3	Unchanged from medium level decision making status	0	0	31	22	5	25	36	18
4	Medium level of decision making status to better decision making / level in family status	0	0	39	28	7	35	46	23
Total		40	100	140	100	20	100	200	100

Treatment from the family members, self esteem, exuding confidence, earning respect, facing financial crisis in the family confidently and decision making power in the family are all traits of poor but an empowered woman.

The empowerment is subjective indicator and is carefully analyzed with a set of pre structured questions touching the above points. There is change in the decision making power and esteem in the family going up after SHG activities entered into her social life. The money she brings as small loans to meet emergent or production needs and the food grains out of Rice Line scheme have motivated the men and other family members to commit her to the SHG activity, deepening her role in the family.

There are instances where women beatings were resisted by group action. But the true empowerment correlates this performance indicator to the gender issues and looks at it as social equality irrespective of the gender.

Further, attempt has been made to know whether there is inter sectoral discrepancy in the attainment of such social esteem.

Null Hypothesis

There is no significant difference in the family status and decision making power before and after SHG activities amongst the SC, BC and OC categories.

Table : 41 : Status in the family and Decision making

Status in family	SC (n=40)				BC (n=140)				Others (n=20)				Total (N=200)			
	Before		After		Before		After		Before		After		Before		After	
	n	%	n	%	n	%	n	%	n	%	n	%	n	%	n	%
Low	40	100	14	35.0	71	50.7	0	0	8	40	0	0	119	59.5	14	7.0
Medium	0	0	26	65.0	69	49.3	91	65.0	12	60	12	60	81	40.5	129	64.5
High	0	0	0	0	0	0	49	35.0	0	0	8	40	0	0	57	28.5
p Value	NS				.000**				.003**				.000**			

** : p- value < 0.01 Highly Significant ; * P- value <0.05 significant

No star indicates non-significance (p>0.05), n.a. not applicable

No measures of association are computed for the cross tabulation of i12B * i12A. At least one variable in each 2-way table upon which measures of association are computed is a constant

The change is highly significant and we can infer that the SHG activities have lifted the self esteem and decision making power of women except in the case of SC women who are still way behind in this regard. The age old stigmatization and social backwardness require time and intensive interventions to impart change.

We can also conclude that the change would not have been possible without the involvement of SHGs in their lives.

Women are objects of beating, violence and atrocities and though BC and OC women were quick to earn the family esteem, the SC women are still marginalized and the capacity building programmes should address this particular issue. One strategy could be to jointly train the women and men folk especially in SC communities to make them mutually appreciate the complementary roles played and gender equity. The inclusive approach can only win her due esteem.

Table : 42 : Village Hygiene – Clean Environs

S. No.	Change in Family Hygiene	SC		BC		OC		Total	
		No.,	%	No.,	%	No.,	%	No.,	%
1	Unchanged from low level of family Hygiene	16	40	54	40	0	0	70	35
2	From low level family hygiene to Medium level	22	55	83	58	13	65	118	59
3	Unchanged from medium level of hygiene	2	5	3	2	7	35	12	6
Total		40	100	140	100	20	100	200	100

An interesting probe was made with disaggregated data as to whether there is change in the village environs when the majority of women get into SHG mould and discuss their children health and reasons there off. The data when scientifically processed revealed that the SHG situation did not bring in much change in the village environs and its cleanliness. The response was similar from all the social sections.

The capacity building needs assessment has to re look at this vital need which is the root cause of national health indexes like IMR and MMR. Moreover the precious money of the poor has to be diverted from productive purposes on medical expenses. Government programmes like Clean and Green have huge sums of development funds and such programmes can be dovetailed to SHG activities to significantly take this important issue forward.

When the issue of hygiene amongst the households before and after SHG activities was raised, the response was not very encouraging. More than 35% respondents from all categories put together were of the opinion that general hygiene has remained unchanged. But in all categories 50 to 60% changes have occurred from low to medium level of hygiene. Hygiene was explained like dressing the wounds, attending to sick with referral doctor services and following general precautions of keeping the environs disinfected from houseflies etc.,

There is slow pace of mobilization towards hygiene in spite of several capacity building programmes designed for health and hygiene. The tardy progress can not be ascribed only to lack of focus of the SHGs, but the general awareness programmes on which State is spending huge money. There is a need to take a re look. We can infer that SHG activities could not impact significantly the health and hygiene practices. The spirit of holistic approach to family development through

SHG activities has taken a reverse turn in these particular important indicators which need to be addressed through capacity building activities.

The analysis is taken forward with the test to know whether there is significant difference amongst various social categories before and after the SHG activities in cleanliness and village environs.

Null Hypothesis

There is no significant difference before and after SHG activities as far as health protection and family hygiene are concerned amongst the different social categories are concerned.

Table : 43 : Village Hygiene – Clean Environs

Village Hygiene and Clean Environs	SC (n=40)				BC (n=140)				Others (n=20)				Total (N=200)			
	Before		After		Before		After		Before		After		Before		After	
	N	%	N	%	n	%	n	%	n	%	n	%	n	%	n	%
Low	38	95	16	40	138	98.6	55	39.3	13	65	0	0	189	94.5	71	35.5
Medium	2	5	24	60	2	1.4	85	60.7	7	35	20	100	11	5.5	129	64.5
High	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
p Value	.236				.252				NS				.111*			

** : p- value < 0.01 Highly Significant ; * P- value <0.05 significant

NS non-significance (p>0.05), n.a. not applicable

No measures of association are computed for the cross tabulation. At least one variable in each 2-way table upon which measures of association are computed

is a constant. The results exhibit overall insignificant variation in village and personal hygiene .

We can infer with the results that village cleanliness and environs is a matter of whole village approach and can not be tagged to individual social groups. But, the SHGs should dovetail their programmes towards cleanliness and the government programmes with huge investments on this sector should not go waste.

The attributability of the SHG role towards the change in a small way is well substantiated with the SHG groups taking up clean and green programmes, keeping their environs clean through collective Shrama Dan and capacity building programmes intended to impart awareness on communicable diseases and importance of clean environs. Hence the change is certainly due to SHG activities and also SHGs have to deepen the effort in achieving clean environs and village hygiene on par with the standards.

Table : 44 : Articulation and Village Problem Solving

S. No.	Measure of Change in Articulation and Village Problem Solving	SC		BC		OC		Total	
		No.	%	No.	%	No.	%	No.	%
1	Unchanged from low level of articulation and village problem solving capacity	13	33	41	30	3	15	57	28
2	From low level to medium level	27	67	83	60	9	45	119	60
3	From low level to higher level	0	0	12	8	2	10	14	7
4	Unchanged from medium level of articulation and village problem solving	0	0	4	2	6	30	10	5
Total		40	100	140	100	20	100	200	100

The rural women are home bound and socially marginalized. They are not given much social space to articulate their personal problems or development initiatives crossing their thoughts. SHGs as platforms of social change have played bigger role in many villages to pull down the curtain stigmatizing the women from expressing their problems and articulate their well intended feelings on development issues.

60 % of the sample respondents visualized that there is better awareness created after SHG activities about village problem solving and also they have become articulate about it. Still there were 28% who did not accept that there is change in this regard. The highest degree of change was recorded amongst the SC respondents (67%). SHG activities envisage a collective will of the members of SHG in articulating the common village problems like drinking water, sanitation or other problems. This is possible with better design of capacity building programmes. Demanding society especially the poorer sections of the society can exert pressure on the state delivery apparatus to be responsive.

The striking change amongst SC respondents is because they are quick to respond to change from almost zero sum position and any change would be significant in the pre and post situation for them.

Further the differential responses were analyzed statistically.

Null Hypothesis There is no significant change before and after SHG activities as far as articulation and village problem solving capabilities are concerned amongst the SC, BC and OC categories.

Table : 45 : Articulation and Village Problem Solving

Articulation and Problem Solving Level	SC (n=40)				BC (n=140)				Others (n=20)				Total (N=200)			
	Before		After		Before		After		Before		After		Before		After	
	n	%	n	%	n	%	n	%	n	%	n	%	n	%	n	%
Low	40	100	16	40	125	89.3	42	30	12	60	3	15	177	88.5	58	29
Medium	0	0	24	60	15	8.7	84	60	8	40	17	85	23	11.5	128	64
High	0	0	100	100	0	0	14	10	0	0	0	0	0	0	14	7
p Value	.04*				.004**				.125*				.001**			

** : p- value < 0.01 Highly Significant ; * P- value <0.05 significant

No star indicates non-significance (p>0.05), n.a. not applicable

No measures of association are computed for the cross tabulation. At least one variable in each 2-way table upon which measures of association are computed is a constant

The SHG activities have equally empowered the women cutting across the social categories. Articulation of women and their ability to address village problems is a welcome change but as the results indicate there is mild change over a period of 5 years of SHG activity. The capacity building programmes should contain the topical issues like how the women networks can work on common problems like bus to the village, drinking water and medical facilities. Towards theses issues the SHG activities have already impacted positive significant changes as the results indicate.

The change is certainly attributable to SHG activities as the group meetings had social agenda to discuss after savings and credit transactions in the meeting. The group decisions certainly get operationalized to certain extent. Hence the change is either significant or highly significant in with regards to the articulation and village problem solving abilities.

Table : 46 : Caste and Social Discrimination

S. No.	Measure of Change in Caste and Social Discrimination	SC		BC		OC		Total	
		No.	%	No.	%	No.	%	No.	%
1	Unchanged from past level of social and caste discrimination	37	93	37	26	0	0	74	37
2	Change from high to medium level of discrimination	3	7	97	74	0	0	100	50
3	Change from high to low level of discrimination	0	0	6	0	0	0	6	3
4	From medium to low level of discrimination	0	0	0	0	2	10	2	1
5	Low level of discrimination unchanged	0	0	0	0	18	90	18	9
Total		40	100	140	100	20	100	200	100

The homogeneity aspect of the group members and the treatment towards co-members who are considered socially backward is an important indicator to judge the social empowerment. The group members amongst SC category have recorded that there is no change in the general behavior of the so called upper caste co-villagers towards the co SHG members (93%) in post SHG situation. But in total

50% respondents felt that there is change, though modest, from high discrimination to medium level in the post SHG situation.

As the results reveal it is imperative that SHG activities have not contributed in reducing the social discrimination at least as felt by the SC members. The interveners of the programmes in this regard should realize that unless social discrimination is routed out the economic empowerment can not alone bring the desired results. There are instances of SC women being denied business opportunities if they run hotels or small eateries. The subtle change in mind set of even co members can contribute a lot in this regard. The degree of change in such discrimination is further tested in the following way.

Null Hypothesis: There is no significant change in caste and social discrimination before and after SHG activities amongst the SC, BC and OC categories.

Table : 47 : Caste and Social Discrimination

Caste and Social Discrimination	SC (n=40)				BC (n=140)				Others (n=20)				Total (N=200)			
	Before		After		Before		After		Before		After		Before		After	
	n	%	n	%	n	%	n	%	n	%	n	%	n	%	n	%
Low	0	0	0	0	0	0	8	5.7	18	90	20	100	18	9	28	14
Medium	0	0	3	7.5	140	100	132	94.3	2	10	0	0	142	71	135	67.5
High	40	100	37	92.5	0	0	0	0	0	0	0	0	40	20	37	18.5
p Value	NS				NS				NS				NS			

** : p- value < 0.01 Highly Significant ; * P- value <0.05 significant NS indicates non-significance (p>0.05), n.a. not applicable

No measures of association are computed for the cross tabulation. At least one variable in each 2-way table upon which measures of association are computed is a constant.

By and large there is no significant variation before and after SHG activities in Social and caste discrimination. But, individually the SC women were pointing out that they have not felt any change in discriminatory attitude of the co villagers even after the SHG activities in their lives. This is an important observation based on scientific probe and the capacity building programmes in future should address this aspect.

The SHG activities have social agenda to reduce the caste and social discrimination in their group meetings as well as capacity building programmes. Hence the social change even in small degree can be attributed to the SHG activities and other strong reason in reducing caste barriers may be the interdependency of members for co obligation of loans and fungibility of savings and bank loans. There is a long way to go in order to bring social harmony through SHG activities but given the right strategies it is possible to engineer this social change.

Table : 48 : Awareness about Government Programmes

S. No.	Awareness Level	SC		BC		OC		Total	
		No.	%	No.	%	No.	%	No.	%
1	Unchanged from low awareness levels	12	30	33	24	1	5	46	23
2	From low to medium	28	70	88	63	16	80	132	66
3	From low to higher awareness levels	0	0	19	13	2	10	21	10
4	From medium to higher awareness levels	0	0	0	0	1	5	1	1
Total		40	100	140	100	20	100	200	100

Government is the biggest resource for the poor. Government has no substitute and can not be replaced as a choice to the poor. But, many of the programmes meant for the poor are not reaching them due to lack of awareness about the programme. SHG with its collective action should create awareness in its member households. The data in this regard is elicited in the shape of three scale awareness from low to high level. In aggregate 66% respondents have felt that they are slightly better aware about the government initiatives after SHG activities donned over their lives. 70% of SC members have over-whelming attributed their better awareness levels to the association with SHG activities.

The data was further analyzed to know whether there is significant difference amongst the social categories of respondents in change in awareness levels about Government programmes.

Null Hypothesis

There is no significant and positive change in awareness level before and after SHG activities amongst SC, BC and OC categories.

Table : 49 : Awareness about Government Programmes

Aware- ness level	SC (n=40)				BC (n=140)				Others (n=20)				Total (N=200)			
	Before		After		Before		After		Before		After		Before		After	
	n	%	n	%	n	%	n	%	n	%	n	%	n	%	n	%
Low	40	100	12	30	122	87	35	25	17	85	1	5	179	89.5	48	24
Medium	0	0	17	42.5	18	13	7	5	3	15	1	5	21	10.5	25	12.5
High	0	0	11	27.5	0	0	98	70	0	0	18	90	0	0	127	63.5
p Value	#				.012*				.001**				.001**			

** : p- value < 0.01 Highly Significant ; * P- value <0.05 significant

No star indicates non-significance (p>0.05), n.a. not applicable

No measures of association are computed for the cross tabulation. At least one variable in each 2-way table upon which measures of association are computed is a constant.

The analysis reveals that the SC and BC communities are equally responsive to government programmes. It is precisely for two reasons, the first reason being the fact that many of the programmes are now reserved for women and the second reason is that off late many of such programmes are dovetailed to SHGs. The fact that still significant portion are unchanged in awareness levels (30% SCs and 24% BCs) prompts us to add training programmes on awareness building.

But for SHG activities the women having better awareness levels about government programmes is unthinkable as the past programmes like IRDP were largely could not bring in impact precisely for this reason. Awareness creates demanding society and results in transparency. The groups deliberate over larger issues of the government delivery programmes and hence the change is attributable to the group activities. Moreover the government has made SHG a chosen platform for its programmes.

Table : 50 : Leisure Time Utilization

S.No.	Change in leisure time utilization for additional gainful employment	SC		BC		OC		Total	
		No.,	%	No.,	%	No.,	%	No.,	%
1	Unchanged from low level of leisure time utilization	2	5	3	2	8	40	13	7
2	Change from low to medium level of leisure time utilization	23	57.5	121	87	9	45	153	76
3	Change from low to high level of leisure time utilization	1	2.5	1	1	0	0	2	1
4	Unchanged from medium level of leisure time utilization	2	5	4	3	0	0	6	3
5	Change from medium to high level of leisure time utilization	12	30	3	2	1	5	16	8
6	Unchanged from high level of leisure time utilization	0	0	8	5	2	10	10	5
Total		40	100	140	100	20	100	200	100

Disposable time is available with the women due to under employment and if the time is utilized for productive work the additional income can be of great help to the household. It has seasonal variations and also depends on the no., of able persons available in the household.

There is general change recorded (76%) from nil to medium level. They are reported to be engaging their disposable time in the productive purposes. Even the SC respondents were of the opinion that there is perceptible change in the pattern of utilization of their free time. (57.5%). The majority have visualized SHG as source of Bank loan which gives them opportunity to engage in additional gainful

employment, productively putting up their disposable time. Rolling of incense sticks, leaf stitching and other divisible activities were found. The small loans in the groups helped them to invest in the activity.

Women especially found it useful and expressed that the leisure time utilization can be further more effective if skill training is provided to them in income generating activities. The data was further tested to know the intensity of change in leisure time utilization due to SHG activities.

Null Hypothesis: There is no significant and positive change before and after SHG activities as far as the leisure time utilization for productive purposes is concerned amongst SC, BC and OC categories.

Table : 51 : Leisure Time Utilization

Leisure time utilization	SC (n=40)				BC (n=140)				Others (n=20)				Total (N=200)			
	Before		After		Before		After		Before		After		Before		After	
	n	%	n	%	n	%	n	%	n	%	n	%	n	%	n	%
Low	26	65	4	10	126	90	20	14.3	17	85	0	0	169	84.5	24	12
Medium	14	35	26	65	6	4.3	108	77.1	1	5	13	65	21	10.5	147	73.5
High	0	0	10	25	8	5.7	12	8.6	2	10	7	35	10	5	29	14.5
p Value	.000**				.000**				.038*				.000**			

** : p- value < 0.01 Highly Significant ; * P- value <0.05 significant

No star indicates non-significance (p>0.05), n.a. not applicable # No measures of association are computed for the cross tabulation. At least one variable in each 2-way table upon which measures of association are computed is a constant.

The highly significant (except in the case of OC category which is also indicating significant change) is because of micro loans provided by SHGs and the skill training programmes might have contributed to utilize the leisure time for productive income generation. The summer seasons where it is difficult to find regular labor, the additional gainful employment can come in handy for the poor. The area is having highly retailed with division of labor for activities like incense stick rolling, beedi rolling and leaf plate stitching. The activities provide work in splits and women can engage in productive work whenever they find time at house stead's.

The change and impact are totally because of the SHG activities which were the reason for imparting skills and providing micro capital for the activities. Hence the change is attributed to the SHG activities.

Table : 52 : Gender Inequalities and Discrimination

S.No.	Measure of Change in Gender Discrimination	SC		BC		OC		Total	
		No.	%	No.	%	No.	%	No.	%
1	Unchanged from past level of high gender discrimination	3	7	21	15	2	10	26	13
2	Change from high to medium level of discrimination	29	73	27	19	4	20	60	30
3	Change from high to low level of discrimination	2	5	6	4	1	5	9	5
4	Unchanged from medium level of discrimination	2	5	39	28	12	60	53	26
5	Change from medium to low level of discrimination	2	5	31	22	1	5	34	17
6	Low level of discrimination unchanged	2	5	16	12	0	0	18	9
Total		40	100	140	100	20	100	200	100

Gender equality includes protection from sexual harassment and right to work with dignity, which is a universally recognized basic human right. SHG is a gender based socio economic engagement of women to ascertain their rights in the societal hierarchy. The gender empowerment addresses the women problems vis-à-vis their social position in the family and the society. The changes induced due to SHG activities are quantified to analyze the key issue of whether the SHG has resulted in women empowerment in the spirit of gender equity.

The gender issue was centering on women and their role in the family, their esteem with the newly acquired financial power through SHG, Rice Line scheme which fetches food grains for the family and the new skills, must have taken the women to the better trajectory in the family and societal hierarchy. The response was highly skewed between the social categories. SC respondents felt that there is perceptible change but the discrimination still exists (13% in general and 7% amongst SCs). Many respondents (30% in general and 73% amongst SC women have reported) medium level of change in discrimination owing to the SHG activities. The statistical data was further analyzed for measuring the degree of variation before and after SHG activities.

Null Hypothesis

There is no significant difference in gender inequalities and discrimination before and after SHG activities amongst the SC, BC and OC categories.

Table : 53 : Gender Inequalities and Discrimination

Gender Inequality / Discrimination	SC (n=40)				BC (n=140)				Others (n=20)				Total (N=200)			
	Before		After		Before		After		Before		After		Before		After	
	n	%	n	%	n	%	n	%	n	%	n	%	n	%	n	%
Low	2	5	6	15	16	11.4	34	24.3	0	0	2	10	18	9	42	21
Medium	4	10	32	80	71	50.7	84	60.0	14	70	16	80	89	44.5	132	66
High	34	85	2	5	53	37.9	22	15.7	6	30	2	10	93	46.5	26	13
p Value	.000**				.000**				.057 NS				.000**			

** : p- value < 0.01 Highly Significant ; * P- value <0.05 significant

NS indicates non-significance (p>0.05), n.a. not applicable

No measures of association are computed for the cross tabulation At least one variable in each 2-way table upon which measures of association are computed is a constant

The results amply signify that the SC women are slowly moving from the fringe to mainstream. The BC categories are also responding to the changes induced due to SHG activities in their gender awareness levels.

The age old social stigmatization, economic backwardness and attendant gender problems are the root causes of such unequal response to the intervention which is supposed to be common denominator cutting across the caste lines. The intervention strategies need to focus on this issue. There is no empirical evidence to suggest a significant change amongst the OC categories as the relative social advancement might have brought the gender awareness levels even before getting into SHG activities.

The change as suggested by the women is because of the issues raised in the SHG forums and SHGs have norms that if there are women beating or dowry harassment there should be collective action against the perpetrators of the discrimination. Gender awareness capacity building programmes have also contributed to the change. More than any thing it is the economic empowerment that has lasting influence on the gender equity. As the women started bringing much needed micro capital in the shape of loans her positional trajectory has moved from mere cooking and earning extra labor to main frame contributor the family economy and income. Hence her voice has been heard and visibility in key issues might have gone up. Hence the change is having its root at the SHG activities.

Table : 54 : Right Based Approach (RBA)

S.No.	Measure of Change in Right Based Approach	SC		BC		OC		Total	
		No.	%	No.	%	No.	%	No.	%
1	Unchanged from low awareness levels	6	15	17	12	4	20	27	13.5
2	Change from low to medium level of awareness	33	83	41	29	4	20	78	39
3	Change from low to high level of awareness	0	0	18	13	2	10	20	10
4	Unchanged from medium level of awareness	0	0	32	23	10	50	42	21
5	Change from medium to high level of awareness	1	2	28	20	0	0	29	14.5
6	High level of awareness unchanged	0	0	4	3	0	0	4	2
Total		40	100	140	100	20	100	200	100

Right Based Approach (RBA) is gaining currency through out the world and this is highly relevant in the case of poor women who must realize their basic human rights and move in the direction of realization of their due rights. But the awareness about the rights is the key in moving towards this direction. The responses were recorded which aggregated to 40% respondents expressing that they have better awareness levels about their rights. Even SC respondents recorded impressive (83%) improvement in this regard. Still on an average 13% remain unchanged in spite of 5 years of SHG activities.(15% in the case of SC respondents).

To test whether such change is significant pertaining to the three social categories the following statistical analysis was carried out.

Null Hypothesis

There is no significant and positive impact before and after SHG activities on the awareness levels of Right Based Approach amongst the SC, BC and OC categories.

Table : 55 : Right Based Approach (RBA)

Aware- ness on Right Based Approach	SC (n=40)				BC (n=140)				Others (n=20)				Total (N=200)			
	Before		After		Before		After		Before		After		Before		After	
	n	%	n	%	n	%	n	%	n	%	n	%	n	%	n	%
Low	39	97.5	12	30	63	45	11	7.9	10	50	6	30	112	56	29	14.5
Medium	1	2.5	28	70	77	55	129	92.1	6	30	9	45	84	42	166	83
High	0	0	0	0	0	0	0	0	4	20	5	25	4	2	5	2.5

p Value	.507 <i>NS</i>	.000**	.000**	.000**
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** : p- value < 0.01 Highly Significant; * P- value <0.05 significant

NS indicates non-significance (p>0.05), n.a. not applicable

No measures of association are computed for the cross tabulation At least one variable in each 2-way table upon which measures of association are computed is a constant.

Right Based Approaches are strongly correlated to social stigmatization and economic backwardness. It is a long term perspective to bring the SC women from fringe to main stream, wading through thick mass of social discrimination. But the results are conspicuous and alert us that in the same group with the same intensity of intervention there are significantly different results owing to inherent social stigma. The intervention strategy should take into account their men folk also and training together both women and men and making the men to appreciate the need for basic human dignity for equally for women may bring in quality changes.

The key to successful right based approach and its awareness levels depend upon the right programme design. The employment generation programmes like food for work Programme and Rural Land Less Employment Guarantee programmes were good beginning and had Right Based Approach in their design. But, implementation frailties have not taken this programme very far because of lack of awareness levels

at the grass roots level about the rights provided to the poor by the Act of Parliament. SHGs should create awareness levels and their capacity building programmes can design the course content in this regard.

The change in Right Based Approach is attributable to SHG activities and no other forum has taken up the issue as an agenda. But SHGs have also social responsibility to bring SC co members on par with them in this key performance area.

Economic Changes

Visible (Concrete Indicators)

Table : 56 : Family Incremental Annual Income

S.No.	Before and after Annual Family Incremental Income	SC		BC		OC		Total	
		No.,	%	No.,	%	No.,	%	No.,	%
1	Rs.1000 unchanged	5	12	12	9	4	20	21	10
2	Rs.1000 to Rs.1001 to 3000	13	32	45	32	4	20	62	31
3	Rs.1000 to >Rs.3001	16	40	27	19	2	10	45	23
4	Rs.1001 to Rs.3000 unchanged	3	8	32	22	2	10	37	18
5	Rs.1001- Rs.3000 to >Rs.3001	3	8	24	8	4	20	31	16
6	>Rs.3001 unchanged	0	0	0	0	4	20	4	2
Total		40	100	140	100	20	100	200	100

Household income is the first and foremost performance indicator to measure the change in economic status of the family.

SHG is harbinger of economic activity for the women who are economically active but resource poor. In a way it is not worth continuing in the SHG if it is not engaging them with better resources for their economic activity. The economic mobility is visible but yet to make a turn around. Still there are 10% who are at less than Rs.1000 level which is an area of concern. The data was further analyzed for the impact the SHG activities created on the incremental income levels of their households.

Null Hypothesis

There is no significant change in household incremental income levels before and after the SHG activities amongst the SC, BC and OC categories.

Table : 57 : Family Incremental Annual Income

Family annual Incremental Income Rs.	SC (n=40)				BC (n=140)				Others (n=20)				Total (N=200)			
	Before		After		Before		After		Before		After		Before		After	
	n	%	n	%	n	%	n	%	n	%	n	%	n	%	n	%
< 1000	37	92.5	6	15	84	60	12	8.6	10	50	4	20	131	65.5	22	11
1001-3000	3	7.5	13	32.5	56	40	76	54.3	6	30	6	30	65	32.5	95	47.5
> 3001	0	0	21	52.5	0	0	52	37.1	4	20	10	50	4	2	83	41.5
p Value	.034*				.000**				.003**				.000**			

** : p- value < 0.01 Highly Significant ; * P- value <0.05 significant

NS indicates non-significance (p>0.05), n.a. not applicable

#No measures of association are computed for the cross tabulation. At least one variable in each 2-way table upon which measures of association are computed is a constant

The change is visibly significant in the case SC categories and highly significant amongst others and also overall in aggregate. The results bring to focus the age old social marginalization and lack of economically congenial way forward for the SC households which have reflected in relatively less significant change.

The groups are at 30th cycle of loan and the micro loans have provided them opportunities to create productive household assets in on farm, off farm and non farm activities. Hence SHG activities have rightful place in hub of economic activities in the household. The regular income from main stream sources like agriculture remains common functions and hence the incremental income as expressed by women is the sole product of SHG induced economic activities out of micro loans.

But, the change has to be deeper and should take the families irreversible above poverty line. This is possible with collective group activities, land based activities taking a deeper root and market orientation for reaping better revenues. The interveners should have focus on these issues.

Table : 58 : Productive Working Days

S. No.	Change in Availability of Work	Productive working days							
		SC		BC		OC		Total	
		No.	%	No.	%	No.	%	No.	%
1	3 to 6 months of non working days unchanged	0	0	3	2	2	10	5	2.5
2	3 to 6 months non working days reduced to less than 3 months non working days	6	15	6	4	0	0	12	6
3	3 to 6 months non working days reduced to work through out the year	9	23	21	15	0	0	30	15
4	< 3 months of non working days unchanged	4	10	9	6	0	0	13	6.5
5	< 3 months of non working days reduced to work through out the year	21	52	13	9	2	10	36	18
6	Work though out the year unchanged	0	0	88	64	16	80	104	52
Total		40	100	140	100	20	100	200	100

Productive working days in a year have strong link with the engagement of the concerned families with the suitable economic activity. It has strong correlation

with the underemployment due to lack of investment avenues, wage employment and seasonal influences. The responses prove that there is positive growth in the productive working days. SC house holds responded that their 3 month unemployment has gone and now they could fetch work through out the year (50%), thanks to the micro capital provided by SHG. The SC respondents could feel the impact as they were responsive to even small economic changes in their family life. The unsaturated economic condition is the reason for recording better increment. An attempt was made further to test whether the variation is significant amongst the social categories.

Null Hypothesis

There is no significant and positive change in no., of productive working days in a year before and after SHG activities amongst the SC, BC and OC categories.

Table : 59 : Productive Working Days

No., of Non-productive Working Days p.a..	SC (n=40)				BC (n=140)				Others (n=20)				Total (N=200)			
	Before		After		Before		After		Before		After		Before		After	
	n	%	n	%	n	%	N	%	n	%	n	%	n	%	n	%
>3months	35	87.5	0	0	38	27.1	0	0	0	0	0	0	73	36.5	0	0
<3months	4	10	12	30	10	7.1	14	10	4	20	0	0	18	9	26	13
Full work round the year	1	2.5	28	70	92	65.8	126	90	16	80	20	100	109	54.5	174	87
p Value	.001**				.017*				#				.340 NS			

** : p- value < 0.01 Highly Significant ; * P- value <0.05 significant

No star indicates non-significance (p>0.05), n.a. not applicable

No measures of association are computed for the cross tabulation At least one variable in each 2-way table upon which measures of association are computed is a constant.

Overall change is not very significant in SHGs in creating productive working days for the members' households. The highly significant change amongst SC households is because of the humble bottom line prior to group activities, far away from the saturation point and even small level of interventions may provide fillip for them to certain extent to attain employment as majority of them were wage laborers. Similarly BC categories have also responded significantly because of the humble base line at which they have started their SHG activities.

The change in SC and BC house holds as far as the no., of productive working days is concerned is attributable to SHG activities as they were hither to purely dependent upon wage labor for livelihood. The micro loans provided and the skill training programmes might have impacted the change.

Table : 60 : Productive Household Assets

S.No.	Increment in Productive Assets	SC		BC		OC		Total	
		No.	%	No.	%	No.	%	No.	%
1	Less than Rs.1000 value unchanged	3	7	12	9	2	10	17	8.5
2	From less than Rs.1000 value to Rs.1001 - Rs.5000 value	30	76	59	44	8	40	97	48.5
4	From less than Rs.1000 value to Rs.5001 above value	3	8	21	17	0	0	24	12
5	Rs.1001 to Rs.5000 value unchanged	4	9	36	26	4	20	44	22
6	From Rs.1001 - 5000 to above Rs.5001 value	0	0	12	4	2	10	14	7
7	> Rs.5001 value unchanged	0	0	0	0	4	20	4	2
Total		40	100	140	100	20	100	200	100

House hold level productive assets are one of the most important measures of economic status and change in the possession of household assets directly reflects on income. The productive assets may include milch cattle, agricultural tools and other indirect and direct assets that contribute to the household income directly. Land is also added as productive asset in this category. The value of the productive assets goes up as the household economic activities get activated and diversified. 50% of the households all in all could get into Rs.5000 level of productive assets from less than Rs.1000. The change is as high as 78% in the case of SC households and 44% in the case of BC categories. The impact was further analyzed for its significance with the statistical tests.

Null Hypothesis :

There is no significant change before and after SHG activities amongst SC, BC and OC categories as far as incremental house hold productive assets are concerned.

Table : 61 : Productive Household Assets

Value of prod. Assets Rs.	SC (n=40)				BC (n=140)				Others (n=20)				Total (N=200)			
	Before		After		Before		After		Before		After		Before		After	
	n	%	n	%	n	%	n	%	n	%	n	%	n	%	n	%
< 1000	36	90	4	10	92	65.7	12	8.6	11	55	2	10	139	69.5	18	9
> 1001 to 5000	4	10	33	82.5	48	34.3	94	67.1	6	30	12	60	58	29	139	69.5
> 5000	0	0	3	7.5	0	0	34	24.3	3	15	6	30	3	1.5	43	21.5
p Value	.624 NS				.000**				.009**				.000**			

** : p- value < 0.01 Highly Significant; * P- value <0.05 significant

NS indicates non-significance (p>0.05), n.a. not applicable

No measures of association are computed for the cross tabulation. At least one variable in each 2-way table upon which measures of association are computed is a constant.

The SC households have not significantly improved their productive household assets beyond Rs.5000 value. The other categories have positively responded to the interventions of the SHG activities with highly significant variation in possession of productive assets which is the case all in all.

The variation within the same sphere of interventions is because of the lack of other contributory factors like risk bearing ability which are inherent and slow to

change despite making available monetized loan interventions. The real impact can be achieved in these categories by inducing risk bearing ability which comes only with entrepreneurship development programmes and market orientation. For the question of whether the change is exclusively due to SHG activities or any other contributory factors have added, the women gave assertive reply that the productive assets have come to them only because of micro loans from SHGs.

Earlier banks were giving loans to their men folks but now banks have started becoming skeptical due to mounting over dues but the SHGs have credibility with the Bankers due to high repayment behavior. Hence, the productive assets out of other means are delineated to measure lineal change.

Table : 62 : Improvement in Dwelling House

S.No.	Shift / Change in type of Dwelling House	SC		BC		OC		Total	
		No.,	%	No.,	%	No.,	%	No.,	%
1	Unchanged from hut	0	0	0	0	1	5	1	0.5
3	Change from hut to pacca house	3	7.5	0	0	0	0	3	1.5
4	Un changed from tile house	0	0	3	2	0	0	3	1.5
5	Change from tile house to pacca house	0	0	24	17	0	0	24	12
6	Pacca house unchanged	37	92.5	113	81	19	95	169	84.5
Total		40	100	140	100	20	100	200	100

Dwelling house is one of the most important household level concrete economic indicators. House is not considered a comfort but a need owing to the factors like holding agriculture commodities and protection from seasonal changes. As such its economic and household utilities are identified together. There is continuum to measure house as an economic asset from hut dwellment up to pacca house. SHG loans are utilized widely for house construction, expansion and repair purposes. Hence the measure of change in house type is very important in this study. With the SHGs, the members must have improved their dwelling and the findings were quantified with the stratification of data on the type of dwelling house in the post SHG situation. Housing is the area where Andhra Pradesh has made strides and the households were already in the possession of pacca house (85%) before joining the groups.

The short term nature of the micro loans made available by the groups is also reason for non investment in this basic need like housing as the returns on house construction investment are sourced from regular economic activities and hence require longer repayment periods. Further, analysis was made to know whether the change in the possession of this important household permanent asset.

Null Hypothesis

There is significant change before and after SHG activities amongst the SC, BC and OC categories as far as the improvement in dwelling house is concerned.

Table : 63 : Improvement in Dwelling House

House type	SC (n=40)				BC (n=140)				Others (n=20)				Total (N=200)			
	Before		After		Before		After		Before		After		Before		After	
	n	%	n	%	n	%	n	%	n	%	n	%	n	%	n	%
Hut	3	15	0	0	0	0	0	0	1	5	1	19	4	2	1	0.5
Tiled (semi-pacca)	0	0	0	0	27	19.3	3	2.1	0	0	0	0	27	13.5	3	1.5
Pacca	37	85	40	100	113	80.7	137	97.9	19	95	19	95	169	84.5	196	98
p Value	#				.000**				.814				.000**			

** : p- value < 0.01 Highly Significant ; * P- value <0.05 significant

No star indicates non-significance (p>0.05), n.a. not applicable

No measures of association are computed for the cross tabulation At least one variable in each 2-way table upon which measures of association are computed is a constant.

Andhra Pradesh state stands first in the country in weaker section housing programme and the environment in general might have influenced the SHGs to lend for the conversion of semi pacca and hut dwellment into pacca houses with the loans provided by the SHGs. It is also because of the economic necessity to have work cum living rooms for accommodating productive assets. The SC categories have already possessed pacca house thanks to the weaker section housing programme with target approach for SC beneficiaries. Hence the impact is incognizant in this regard.

The significant impact can also be linked to the economic activity which creates need for pacca housing facility. The change is hence attributable to the SHG activities. Nowadays micro housing is gaining popularity and work cum living sheds and extension of the present dwelling houses to suit the extra production facilities is the need of the hour.

Micro housing is evolving as important product in the SHG agenda and there are institutions exclusively operating in this segment with bulk loans for on lending to the poor and the concept of work cum living shed is fast catching up with SHG as focal point. However the house should contribute to incremental returns with space for economic activity and storage otherwise it becomes economic burden without cash flows and encroaches upon precious savings of the poor. The contributory factors out of other means are carefully delineated to measure lineal change in housing facility.

Table : 64 : Family Net Worth

S.No.	Change in Family net Savings	SC		BC		OC		Total	
		No.	%	No.	%	No.	%	No.	%
1	No change from zero net worth	0	0	9	6	2	10	11	5.5
2	From zero to less than Rs.1000 net worth	2	5	15	9	2	10	19	9.5
3	From zero to Rs.1001 to Rs.5000 net worth	10	25	12	8	4	20	28	14
4	From zero to above Rs.5001 net worth	8	20	3	2	0	0	10	5
5	Less than Rs.1000 net worth unchanged	0	0	3	2	0	0	3	1.5
6	From less than Rs.1000 to Rs.1001 to Rs.5000 net worth	14	35	44	32	6	30	54	27
7	From less than Rs.1000 to above Rs.5001 net worth	2	5	15	9	2	10	19	9.5
8	Unchanged from Rs.1001 to Rs.5000 net worth	2	5	21	15	0	0	23	11.5
9	From Rs.1001 to Rs.5000 to Rs.5001 above net worth	2	5	18	11	2	10	22	11
10	Rs.5001above net worth unchanged	0	0	9	6	2	10	11	5.5
Total		40	100	140	100	20	100	200	100

Family net worth is defined as difference between the assets and liabilities at household level, the assets being callable and liquid with real value. It is an important measure to know the economic status of the household. Changes in terms

of family level net worth consequent to association with SHG are measured carefully. The contributory factors to the worth are savings in the group, productive assets and house with the house hold articles. The liabilities side is weighed by loans and outside debts like chits and from money lenders.

Measure of change has brought to light the shift from meager net worth (<Rs.1000) to Rs.< 5000. However the responses were highly skewed indicating that the change is spread over all the 4 categories from zero net worth up to above Rs.5000 net worth. The net worth mobility was further analyzed statistically to know whether variation is cognizant.

Null Hypothesis

There is no significant change in the net worth of the members' households before and after SHG activities amongst SC, BC and OC categories.

Table : 65 : Family Net Worth

Family Net Worth Rs.	SC (n=40)				BC (n=140)				Others (n=20)				Total (N=200)			
	Before		After		Before		After		Before		After		Before		After	
	n	%	n	%	n	%	n	%	n	%	n	%	n	%	n	%
Zero	18	45	2	5	36	25.7	8	5.7	4	20	2	10	58	29	10	5
< 1000	17	42.5	19	47.5	61	43.6	59	42.1	8	40	2	10	86	43	63	31.5
1001 to 5000	5	12.5	19	47.5	34	24.3	67	47.9	6	30	14	70	45	22.5	100	50
> 5001	0	0	0	0	9	6.4	6	43	2	10	2	10	11	5.5	27	13.5
p Value	.000**				.000**				.007**				.000**			

** : p- value < 0.01 Highly Significant ; * P- value <0.05 significant NS

indicates non-significance (p>0.05), n.a. not applicable

No measures of association are computed for the cross tabulation. At least one variable in each 2-way table upon which measures of association are computed is a constant.

The cognizant change in net worth in all the categories and also overall in aggregate is because of the SHG lending policy to utilize the institutional credit only for productive activities delineating the internal loans out of own savings of the members. The economic activities have taken a different trajectory with the availability micro capital keeping the households in upper trajectories as far as net worth is concerned.

The women were emphatic that their present net worth is directly correlated to their SHG credit and savings activities as the banks have stopped lending to their men folk due to loan arrears. However in real terms the change is only 13.5 in above Rs.5000 net worth category and the group should move towards concretizing the economic activities of the members to this level.

Table : 66 : Borrowings from Money Lenders

S.No.	Reduction in Borrowings from Moneylenders	SC		BC		OC		Total	
		No.,	%	No.,	%	No.,	%	No.,	%
1	No change from above Rs.5001 range of borrowings	0	0	0	0	2	10	2	1
2	Reduction from above Rs.5001 range up to Rs.1001 range	7	18	6	3	0	0	10	5
3	Reduction from Rs.5001 to less than Rs.1000 range	4	10	0	0	0	0	4	2
4	Reduction from Rs.5001 to nil borrowings	11	28	0	0	0	0	11	5.5
5	Unchanged from Rs.1001 – Rs 5000 borrowing range	0	0	18	12	2	10	20	10
7	Reduction from Rs. 1001 - Rs.5000 to nil borrowings	0	0	20	15	2	10	25	12.5
8	Reduction from Rs.1001 – Rs5000 range to less than Rs.1000 range	12	30	78	57	10	50	100	50
9	Less than Rs.1000 unchanged	0	0	6	4	2	10	8	4
10	Less than Rs.1000 to nil borrowings	3	6	2	1	0	0	5	2.5
11	Nil borrowings unchanged	3	8	10	8	2	10	15	7.5
Total		40	100	140	100	20	100	200	100

The poor are born in debts, live and die in debts. The major cause for their remaining in the peripheral economic status is because of their household earnings meeting the usurious interest rates. They get marginalized year after year and the recent findings on the cause of high incidence of suicides amongst the poor have ranked the informal loans as the first reason.

There is claim all over the state that after SHGs becoming active, the outside money lenders are driven away to considerable extent. The money lender debts are unscrupulous.. They charge usurious interest rates, pledge the labor and claim right over the produce. The prevalence of money lender can never take their socio economic parameters beyond the peripheral subsistence to main stream productive

trajectory. By and large there is economic mobility against this important poverty contributory factor. SC households with striking indicators of poverty are quick to measurable change because of the highly unsaturated socio economic conditions. The inherent objective of the SHG is to improve the self reliance of the member house holds by reducing the dependency on unscrupulous informal sources of credit with fleecing interest rates.

Further, the performance in this area is put across verification for ex post facto differences due to SHG activities with the following analysis.

Null Hypothesis

There is no significant reduction in borrowings from money lenders by the households of the SHG members before and after SHG activities amongst the SC, BC and OC categories.

Table : 67 : Borrowings from Money Lenders

Borrowings range	SC (n=40)				BC (n=140)				Others (n=20)				Total (N=200)			
	Before		After		Before		After		Before		After		Before		After	
	n	%	N	%	n	%	n	%	n	%	n	%	n	%	n	%
Nil	3	7.5	3	7.5	10	7.1	29	20.7	2	10	4	20	15	7.5	36	18
< 1000	3	7.5	17	42.5	9	6.4	46	32.9	2	10	6	30	14	7	69	34.5
1001 to 5000	16	40	7	17.5	115	82.1	11	7.9	14	70	2	10	145	72.5	20	10
> 5001	18	45	13	32.5	6	4.3	54	38.6	2	10	8	40	26	13	75	37.5
P Value	.000**				.000**				.0003**				.000**			

** : p- value < 0.01 Highly Significant ; * P- value <0.05 significant

NS indicates non-significance (p>0.05), n.a. not applicable

No measures of association are computed for the cross At least one variable in each 2-way table upon which measures of association are computed is a constant.

The highly cognizant reduction in dependency on money lenders is ascribed to the institutional credit made available by the SHGs at affordable interest rates. But, in real terms the incidence of borrowing more than Rs.5000 from money lenders has gone up in the case of BC, OC and overall categories. This has reduced in the case of SC categories.

The increase in borrowings from money lenders after SHG activities is because of the high demand for working capital with the increased possession of productive assets. The SHGs are meeting the credit needs to buy capital goods or assets but the much needed working capital for production activities is wither ignored or groups may not be affording such high volume of credit for a few members at the expense of other' requirements. The analysis lays emphasis on holistic approach with the provision of working capital also in addition to loan for capital assets.

SHG activity is a great equalizer and provides micro loan opportunities to the members based on their savings and internal loan repayment behavior. The SC community has seized this opportunity and has learnt to save and repay and in the process have cut the supply chain from the money lenders to the extent possible. The interest difference between the SHGs and the money lender is almost 100% (18% and 36% respectively).

The money saved from the interest is plowed back either in the economic activity or family welfare. It is also to be noted that the money lenders can not be totally eliminated as they play the role of middle men in raw material supply, market and other socio economic engagements. They are a kind of necessary evil. But the intensity if reduced can help the poor to breathe easy and save their precious earnings for better tomorrow.

Table : 68 : Institutional Credit (Bank Loan)

Change in Family Institutional Credit either through Group or Family Members	SC		BC		OC		Total	
	No.	%	No.	%	No.	%	No.	%
No change from nil borrowings	0	0	4	3	0	0	4	2
From nil borrowings to less than Rs.5000 borrowings range	24	60	21	15	5	25	50	25
From nil borrowings to Rs.5001 to Rs.10000 borrowings range	4	10	32	23	2	10	38	19
From nil borrowings to above Rs.10001 borrowings range	2	5	12	9	2	10	16	8
Less than Rs.5000 borrowings unchanged	0	0	0	0	0	0	0	0
From less than Rs.5000 to Rs.5001 to Rs.10, 000 borrowings	10	25	61	44	11	55	82	41
From less than Rs.5000 borrowings to above Rs.10001 borrowings range	0	0	4	3	0	0	4	2
Rs.5001 to Rs.10000 borrowings range unchanged	0	0	4	2	0	0	4	2
From Rs.5001 to Rs.10, 000 borrowings range to above Rs.10,001 borrowings range	0	0	2	1	0	0	2	1
Total	40	100	140	100	20	100	200	100

Institutional credit is the life line for the SHG activities as the group's own corpus is too meager to meet the credit demand all the members. Thanks to the NABARD refinanced SHG linkage programme, the Banks are able to lend to the groups at affordable interest rates (<9%). The bank loan means more than a mere credit but it simply denotes that the groups have crossed the eligibility criterion with regular attendance and group meetings, regular savings and internal lending and recovery of internal loans. Hence the Bank loan indicates that the group has graduated from savings and credit to institutional linkages. It is the most important measure of change in the economic performance of household and impacts the SHG performance standards also. The economic mobility towards bank loan is perceptible and many could reach the > Rs.5000 bank loan range. (70%).

Andhra Pradesh stands first in the country in the SHG Bank linkage and nearly 45% of 1.2 million groups linked to Bank are in AP. The mainstreaming of the SHGs with Banks and institutionalizing their credit leverage process is very important and there is revelation of this achievement with the above analysis. It is essential to know whether there is significant variation before and after SHG activities in their linkages to Banks and the following analysis was made.

Null Hypothesis : There is no significant change before and after SHG activities as far as Bank linkages are concerned amongst the SC, BC and OC social categories.

Table : 69 : Institutional Credit (Bank Loan)

Bank Borrowings range	SC (n=40)				BC (n=140)				Others (n=20)				Total (N=200)			
	Before		After		Before		After		Before		After		Before		After	
	n	%	n	%	n	%	n	%	n	%	n	%	n	%	n	%
Nil	30	75	0	0	60	49.3	4	2.9	9	45	0	0	108	54	4	2
< 5000	10	25	25	62.5	64	45.7	62	44.3	9	45	5	25	83	41.5	92	46
5001 to 10 000	0	0	14	35	7	5.0	70	50	2	10	12	60	9	4.5	96	48
> 10 001	0	0	1	2.5	0	0	4	2.9	0	0	3	15	0	0	8	4
p Value	.000**				.000**				.000**				.000**			

** : p- value < 0.01 Highly Significant ; * P- value <0.05 significant

NS indicates non-significance (p>0.05), N.A. not applicable # No measures of association are computed for the cross tabulation. At least one variable in each 2-way table upon which measures of association are computed is a constant.

The SHG activity is a great equalizer in certain key programme linkages like bank credit. It provides equal opportunity based on savings and past internal loan repayment behavior. The standard practices in groups are imparted to all the members uniformly and hence the opportunity has equally spread over all the groups. This is the most significant economic performance indicator as a result out of SHG activities and the poor and socially down trodden have demonstrated their bankability and given the right interventions even the ultra poor can have good repayment and banking behavior under collateral free conditions.

The women were emphatic that bank loans were dream before the SHG activities as the bankers were skeptical to lend to their men folk. It was unthinkable for these women to reach the door steps of the Banks without SHG and now they are confident and can demand loans with prompt repayment of earlier loans.

Table : 70 : Additional Gainful Employment

S.No.	No. of Days of Additional Gainful Employment	SC		BC		OC		Total	
		No.,	%	No.,	%	No.,	%	No.,	%
1	No change from nil additional gainful employment	0	0	24	17	2	10	26	13
2	Change from nil additional gainful employment to 3 months range	18	45	72	51	12	60	102	51
3	Change from nil additional gainful employment to above 3 months range	22	55	28	20	6	30	56	28
4	Change from 3 month range to above 3 month range	0	0	15	11	0	0	15	7.5
5	No change from above 3 months range	0	0	1	1	0	0	1	0.5
Total		40	100	140	100	20	100	200	100

The survival skills and coping mechanisms in distress conditions have taught the poor to learn skills that provide them additional income especially in the lean seasons.

Additional gainful employment is defined as economic activity anything other than the main stream activity. It gives the income at lower propensity than the main economic activity. It is also complementary to the main activity and not a substitute for it. It is taken up either in the extended hours of work in the day or in the lean seasons where there is no work or there is under employment. Additional gainful employment along with the main stream livelihood support can productively

engage the poor through out the year stabilizing their income avoiding stress migration. Lateral enterprise could give cushions against income shocks. It is measured in number of days.

Shift is found in the pattern of employment especially with the women engaged in additional gainful employment with their disposable time. 50% respondents have recorded in aggregate that there is extra 3 months time gained in additional employment due to SHG activities. Amongst SC respondents the revelation is that they have gained 3 months or above employment time with the association of SHG.

SHG activities with their support to the members through provision of micro loans create space for the members to engage their disposable time in gaining extra income. Activities like incense stick rolling, leaf plate stitching, tyloing, beedi rolling, garland making are popular with the members and whenever they have an hour or two to work they start production and sell them in sums ranging from Rs.10 to 15 per day. There is overall 80% mobility in additional gainful employment and the members claim that the SHGs are the prime movers for the economic mobility with the provision of much needed micro capital, skill training and collective marketing and raw material sourcing.

The mobility is highly visible in SC communities who were hither to depended only on wage labor or unskilled works. The impact was statistically analyzed to know whether the change is cognizant before and after the SHG activities.

Null Hypothesis

There is no significant and positive change in earning additional gainful employment before and after SHG activities amongst the SC, BC and OC categories.

Table : 71 : Additional Gainful Employment

No., of months of Addtinl.Gainful Employment	SC (n=40)				BC (n=140)				Others (n=20)				Total (N=200)			
	Before		After		Before		After		Before		After		Before		After	
	n	%	n	%	n	%	n	%	n	%	n	%	n	%	n	%
Nil	40	100	0	0	124	88.6	24	17.1	20	100	0	0	184	92	24	12
< 3 months	0	0	18	45	14	10	72	51.4	0	0	11	55	14	7	101	50.5
3 to 6 months	0	0	22	55	2	1.4	44	31.4	0	0	9	45	2	1	75	37.5
p Value	#				.000**				#				.000**			

** : p- value < 0.01 Highly Significant ; * P- value <0.05 significant

NS indicates non-significance (p>0.05), n.a. not applicable

No measures of association are computed for the cross tabulation. At least one variable in each 2-way table upon which measures of association are computed is a constant.

The highly cognizant variation before and after SHG activities in the additional gainful employment sphere is because of the avenues made available through group activities for micro investment. The groups also provided opportunity to source raw material collectively on economies of scale and could reach the upper

markets with the collective market efforts. The activity could sustain in 2 to 3 production cycles and the members also sharpened their skills. They could also give value addition and do small retail market. The changes would not have happened without the collective group effort.

Table : 72 : Stress Migration

S. No.	Duration of Migration	SC		BC		OC		Total	
		No.	%	No.	%	No.	%	No.	%
1	From above 3 months period to 1 to 3 months period	4	10	1	1	0	0	5	2.5
2	From above 3 months period to nil migration	0	0	5	4	0	0	5	2.5
3	From 1 to 3 months period to less than one month period	0	0	4	3	0	0	4	2
4	From 1to3 months to nil migration	0	0	3	2	0	0	3	1.5
5	Less than 1 month period to nil migration	4	10	0	0	0	0	4	2
6	Unchanged from nil migration	32	80	127	90	20	100	179	89.5
Total		40	100	140	100	20	100	200	100

Stress Migration is an important measurable indicator against poverty and the stress migration proved to be one of the most important causes of distress especially during the lean season of work. The coping mechanisms with the poor manifest in journeying and living temporarily at far off places and in urban up markets for daily labor. Reengaging them in the home places during lean season can avoid urban rush and its attendant problems, productivity enhancement in rural areas and family protection and welfare.

The period of investigation was coterminous with the Food for Work Programme which might have influenced their migration negatively. Effort was made to delineate the responses to know whether reduction is due to SHG activities or on going wage employment programmes like Food For Work Programme. The respondents were of the opinion that SHGs have given them opportunity to work on non farm sector activities in the lean agriculture season. More over the Rice Line Scheme has given food protection to avoid stress migration. The SHGs have also taken up Food For Work Programmes and as such we can infer that the SHGs have played a contributory role in the reduction of stress migration.

However, still 10% of SC respondents have migrated for 1 to 3 months period and efforts should be made to locate work in the local areas with awareness built on various on going wage employment programmes and right to work as Rights Based Approach. The results were further tested to know whether the SHG activities have positively impacted the reduction in stress migration.

Null Hypothesis

There is no significant reduction in the periods of stress migration before and after SHG activities amongst the SC, BC and OC categories.

Table : 73 : Stress Migration

No., of months of Stress Migration	SC (n=40)				BC (n=140)				Others (n=20)				Total (N=200)			
	Before		After		Before		After		Before		After		Before		After	
	n	%	n	%	n	%	n	%	n	%	n	%	n	%	n	%
Nil	32	80	35	87.5	127	90.7	136	97.1	20	100	20	100	179	89.5	191	95.5
<3 months	4	10	5	12.5	9	6.4	4	2.9	0	0	0	0	13	6.5	9	4.5
>3 months	4	10	0	0	4	2.9	0	0	0	0	0	0	8	4.0	0	0
p Value	.000**				.000**				#				.000**			

** : p- value < 0.01 Highly Significant ; * P- value <0.05 significant

NS indicates non-significance (p>0.05), n.a. not applicable

No measures of association are computed for the cross tabulation. At least one variable in each 2-way table upon which measures of association are computed is a constant

The highly perceptible impact created by SHG activities in the reduction of stress migration (except OC categories where there is no migration) is by provision of avenues that could generate locally. It is also because of the micro loans that are amenable for local production activities in the summer preventing the migration. The SHG is a powerful motivator and works with an objective of micro finance for decent work. The wage employment and alternate livelihood sources are not only essential but also imperative for all its members. The fact that SC respondents constitute majority daily laborers and daily wage earners leads us to the inference that they are equally responsive in capturing the wage employment and hence there

is no significant difference in the reduction in stress migration across the social categories. Reengagement of the poor with the alternate livelihood resources can only bring in desirable impact in the reduction of stress migration and the SHG activities should be designed in this direction.

Table : 74 : Micro Insurance

S.No.	Insurance Coverage	SC		BC		OC		Total	
		No.,	%	No.,	%	No.,	%	No.,	%
1	Unchanged from nil insurance coverage	1	2.5	0	0	0	0	1	1
2	From nil insurance to asset insurance	12	30	17	12	0	0	29	15
3	From Nil insurance to life insurance	27	67.5	113	81	16	80	156	77
4	From nil insurance to asset insurance and life insurance	0	0	10	7	4	20	14	7
Total		40	100	140	100	20	100	200	100

Micro insurance has become part of micro finance globally and many insurance products are being designed for the benefit of the ultra poor. Especially the health protection, life risk coverage, accidents and asset protection can bring in social security much needed for the poor. The change in access and availability of micro insurance services was investigated and it is found that there is shift from nil insurance to life insurance in aggregate (77%). In aggregate another 15% have responded to asset insurance also.

Lack of social security is the indicator of poverty disaggregated and insurance was unheard of till recently and thanks to the SHG activities and the dovetailing of insurance services to SHG activities, now the poor are hearing insurance protection services with meager premium amounts. Government has also launched social insurance schemes but the awareness levels were created by the SHGs through capacity building programmes. There are instances where the insurance coverage was made mandatory for all the members.

To test further whether there is significant impact in this key area of social endowment through SHG activities the following analysis was made.

Null Hypothesis

There is no significant change in insurance protection and social security coverage before and after SHG activities amongst the SC, BC and OC categories.

Table : 75 : Insurance Protection

Insurance Protection	SC (n=40)				BC (n=140)				Others (n=20)				Total (N=200)			
	Before		After		Before		After		Before		After		Before		After	
	n	%	n	%	n	%	n	%	n	%	n	%	n	%	n	%
Nil	40	100	1	2.5	140	100	0	0	20	100	0	0	200	100	1	0.5
Assets	0	0	12	30	0	0	17	12.1	0	0	9	45	0	0	38	19
Life	0	0	27	67.5	0	0	123	87.9	0	0	11	55	0	0	161	80.5
p Value	#				#				#				#			

** : p- value < 0.01 Highly Significant ; * P- value <0.05 significant

NS indicates non-significance ($p>0.05$), n.a. not applicable

No measures of association are computed for the cross tabulation . At least one variable in each 2-way table upon which measures of association are computed is a constant. SHG activities have brought in total turnaround in insurance coverage and the social security and insurance protection were hitherto unknown to the members. The group collective outreach facilitated this important protection much needed for the poor. There are several case studies where the accidental loss of life, property or disability has been relieved to great extent through insurance protection.

The SHGs have directly impacted this change and should continue expanding further to old age pension and girl child endowments also. The policy makers should also capitalize the social mobilization process for the delivery of such welfare measures at a sustainable but affordable premium. Crop insurance is another area where the government should look at genuine and household specific design for coverage and claim settlement removing the shortcomings in the present blanket coverage, threshold yield computations and arriving at the demurrage. SHGs could be right intermediaries for this intervention.

Micro Insurance is a sunrise subject and the SHGs are touched upon with a group approach for insurance products and hence there is no difference in the engagement with insurance schemes amongst various social categories. But the groups are not yet fully aware about the different micro insurance products, their utility, nomination facilities and claim procedures. Moreover the Insurance Companies are engaging middlemen as commission agents. The groups can become intermediaries for such services and reduce the costs.

The social security coverage and asset protection are note worthy contributions of the SHGs to their members and there is need to deepen the utility of such products with diversification into crop insurance and old age pension schemes. Insurance Protection for the kind of respondents we are addressing at present was unthinkable 5 years back and SHGs have really done commendable task to bring them under the umbrella coverage of social insurance schemes.

Economic Changes

Invisible (Abstract Indicators)

Table : 76 : Food Protection

S.No.	Annual Incremental Food Consumption	SC		BC		OC		Total	
		No.	%	No.	%	No.	%	No.	%
1	From above 6 months of food shortage to complete food sufficiency through out year	0	0	3	2	0	0	3	1.5
2	Less than 3 months of food shortage unchanged	0	0	3	2	0	0	3	1.5
3	From less than 3 months of food shortage to food sufficiency through out the year	9	23	3	2	0	20	16	8
4	Food sufficiency through out year unchanged	31	77	131	94	16	80	178	89
Total		40	100	140	100	20	100	200	100

Access to food and food security could be one of the most important requirements for the poor to save and engage in economic activity. Food security denotes two square meals a day available through out the year for all the members of the household. World wide several methods have come into vogue to measure the

food security but a standard practice is to call for how many days they are suffering from food shortage partly or fully. By and large the respondents were of the opinion that they had food security through out the year even prior to SHG association. (89%) But 23% of the SC respondents have felt that in association with SHG they could wipe out 3 months of food insecurity.

The discussions revealed that the groups are operating Anna Purna Rice Line Scheme which is dovetailed to the Public Distribution Scheme. The group members can borrow rice and pay in the group in loan installments which has given them total security in this front. The change was tested for its significance statistically.

Null Hypothesis

There is no positive and significant change in food security before and after SHG activities amongst the SC, BC and OC categories.

Table : 77 : Food Protection

Food Protection	SC (n=40)				BC (n=140)				Others (n=20)				Total (N=200)			
	Before		After		Before		After		Before		After		Before		After	
	n	%	n	%	n	%	n	%	n	%	n	%	n	%	n	%
< 3month	4	10	0	0	3	2.1	0	0	0	0	0	0	7	3.5	0	0
> 3month	5	12.5	4	10	7	4.9	6	4.2	0	0	0	0	12	6	10	5
Around the year	31	77.5	36	90	130	93	134	95.8	20	100	20	100	181	90.5	190	95
p Value	.000**				.000**				#				.000**			

** : p- value < 0.01 Highly Significant ; * P- value <0.05 significant

NS indicates non-significance (p>0.05), n.a. not applicable

No measures of association are computed for the cross tabulation. At least one variable in each 2-way table upon which measures of association are computed is a constant. The highly significant change in the backward communities is attributable to the SHG activities which have provided them meaningful opportunities infusing micro investment opportunities in productive assets and employment creation at household level. There was debate over whether the food security is also because of the wage employment programmes like Food for Work Programme. But, the response was that even in the participation in such wage employment programmes is because of the awareness created in the SHG meetings and also SHG making a collective demand for work for their members with the government agencies. Hence the attributability is justified.

There are still 10% left out with food security for 3 months a year. There should be concerted effort by developing livelihood action plans for them targeting the households exclusively.

Table : 78 : Credit Absorption Capacity

S.No.	Credit Absorption Capacity Range	SC		BC		OC		Total	
		No.	%	No.	%	No.	%	No.	%
1	From less than Rs.1000 to Rs.1001 to Rs.5000 range	9	22	36	25	0	0	45	22.5
2	From less than Rs.1000 range to Rs.5001 to Rs.10, 000 range	3	8	27	19	7	35	37	18.5
3	From less than Rs.1000 range to above Rs.10, 001 range	21	50	18	13	3	15	42	21
4	From Rs.1001 to Rs. 5000 range unchanged	6	15	3	2	0	0	9	4.5
5	From Rs.1001 to Rs. 5000 range to Rs.5001 to Rs.10, 000 range	1	5	41	29	8	40	50	25
6	From Rs1001 to Rs.5000 range to above Rs.10001 range	0	0	15	12	0	0	15	7.5
7	From Rs.5001 to Rs.10000 range to above Rs.10, 001 range	0	0	0	0	2	10	2	1
Total		40	100	140	100	20	100	200	100

The general perception in the minds of the micro finance workers is that the poor need only money to start a livelihood activity and rest every thing required is in place. But in many instances it is proved that huge volumes of idle money is lying in the Banks un utilized as the groups and its members are not finding viable avenues and means to utilize the micro capital available. Credit demand generation and imparting credit absorption capacities are equally important compared to the provision of credit services. Mere monetization of poor family without proper inputs for avenues of investment averting the credit shyness and infusing risk bearing ability are the real challenges in the social mobilization process.

In aggregate 20% respondents could absorb up to Rs.10, 000 which was not so in the earlier situation. Even amongst SC respondents there was 50% growth recorded from less than Rs.1000 to above Rs.10, 000 range.

The credit absorption capacity improvement has influence of enterprise development, market and self confidence to deal with higher volumes of credit. There is need for the interveners to locate right avenues of investment with the sub sector analysis of activities and activity diversification from traditional animal husbandry and small ruminants.

The SC category of respondents have equally surged forward and created congenial enterprise environment for micro investments in a viable proposition. It should also be explored to create congenial micro investment atmosphere for quantum ranging higher than Rs.10, 000. The returns on higher investments can only sustain their units otherwise they remain in subsistence and can not graduate to micro

enterprise level. Skills, market and entrepreneurial ability are the reasons for the low level credit absorption capacity. If the balances in SHG bank accounts are any indication, there is huge money lying in the accounts and the Banks pay only 4% interest on Savings Bank accounts. The poor women are paying up to 18% for the same money towards the group loans. It is a kind of reverse flow of wealth from the poor to the Banker if the money is not put to productive use. Hence the credit absorption capacity is as important as the availability of credit itself. The interveners and facilitators should work on this paradigm. The change in credit absorption capacity variations amongst the three categories of respondents was further analyzed.

Null Hypothesis

There is no significant and positive change in household credit absorption capacity before and after SHG activities amongst the SC, BC and OC categories.

Table : 79 : Credit Absorption Capacity

Credit Absorption Capacity Rs.	SC (n=40)				BC (n=140)				Others (n=20)				Total (N=200)			
	Before		After		Before		After		Before		After		Before		After	
	n	%	n	%	n	%	n	%	n	%	n	%	n	%	n	%
< 1000	30	75	0	0	53	37.9	0	0	14	70	0	0	97	48.5	0	0
1000 to 5000	10	25	4	10	87	62.1	6	4.3	4	20	0	0	101	50.5	10	5
5001 to 10000	0	0	14	35	0	0	69	49.3	2	10	5	25	2	1	88	44
> 10000	0	0	22	55	0	0	65	46.4	0	0	35	75	0	0	102	51
p Value	.000**				.000**				.000**				.000**			

** : p- value < 0.01 Highly Significant ; * P- value <0.05 significant

NS indicates non-significance (p>0.05), n.a. not applicable

No measures of association are computed for the cross tabulation. At least one variable in each 2-way table upon which measures of association are computed is a constant

The highly cognizant impact in credit absorption capacity is because of the practice of savings and credit activities and internalizing the micro banking operations before outreaching to the formal credit institutions. The widely held debate that poor are not amenable for banking as they are collateral free and can not repay with the slightest hit in the cash flows of their economic units is put to rest with the findings and the poor can absorb substantial credit to make their units viable. They can also acquire the traits like credit demand, risk bearing ability and absorption capacity if right interventions are to be made addressing the core issue of investment competency, market avenues and collective strength. The DWCRA Bazaars and other market explorations are also taking them to up markets and internalized economic rigor reflects in better credit absorption capacity.

Table : 80 : Credibility with Banks

S. No.	Credibility Status	SC		BC		OC		Total	
		No.	%	No.	%	No.	%	No.	%
1	Low credibility unchanged	1	2	0	0	0	0	1	0.5
2	Low credibility to medium level of credibility	24	60	48	34	10	50	82	41
3	Low credibility to higher level of credibility	12	30	3	2	1	5	16	8
4	Medium level of credibility unchanged	0	0	36	26	0	0	36	18
5	Medium level of credibility to higher level of credibility	3	8	50	36	9	45	62	31
6	Higher level of credibility unchanged	0	0	3	2	0	0	3	1.5
Total		40	100	140	100	20	100	200	100

Faith and credibility earned by the respondent households with local Banks is an important measure of how the poor have moved from fringe to main stream. It is now a common feature that Bankers have found SHG as Bankable proposition and the best way to enter into the lower segment poverty market. They are also finding SHGs as delivery platforms for the government sponsored Bank linked programmes. The myth that the poor are not bankable is getting demystified and the Bankers have started believing that with the right application and approach, poor are credit worthy.

The credibility measurement as felt by the members themselves gives leads to the integration of poor into the mainstream financial markets which can only help them to graduate from subsistence labors to substantial entrepreneurs. 90% amongst SC respondents have moved from low credibility to medium or higher credibility. Past efforts of the bankers using subsidized and directed credit have left a distressing legacy of failed programmes and created many skeptics.

The age old social stigma coupled with absolute poverty is the factors that hinder their progress from fringe to main stream. Plethora of government sponsored programmes has reduced them to beneficiaries but never gave them status of reliable partner house hold for institutional credit. The change is welcome but efforts have to be made to sustain it and the bankability of the poor should be irreversible change. The macro level results are also signifying a sea change with 1000 crores worth Bank linkages already established to the SHGs. In aggregate there is 70% mobility towards higher credibility. The peer pressure at SHG level and internalized mechanisms of delinquency management have helped the groups to operate Bank loans in a more creditable way. The data were further analyzed to know whether the change is perceptible.

Null Hypothesis

There is no significant and positive change in the credibility of the members with the Bankers before and after SHG activities amongst the SC, BC and OC categories.

Table : 81 : Credibility with Banks

Credbity with Bankers	SC (n=40)				BC (n=140)				Others (n=20)				Total (N=200)			
	Before		After		Before		After		Before		After		Before		After	
	n	%	N	%	n	%	n	%	n	%	n	%	n	%	n	%
Low	38	95	0	0	51	35.7	0	0	11	55	10	50	100	50	10	5
Medium	2	5	16	40	86	62.2	56	40	9	45	10	50	97	48.5	82	41
High	0	0	24	60	3	2.1	84	60	0	0	0	0	3	1.5	108	54
p Value	.236 NS				.000**				.000**				.000**			

** : p- value < 0.01 Highly Significant ; * P- value <0.05 significant

NS indicates non-significance (p>0.05), n.a. not applicable

No measures of association are computed for the cross tabulation. At least one variable in each 2-way table upon which measures of association are computed is a constant.

The insignificant change in the case of SC categories is attributed to the historical lack of credibility and general perception of the Bankers that the SC categories are guided not to pay loans due to general waiver proposals offered by the government. The SHGs should integrate the SC categories and bring in change that prompt loan repayment is the only way to move forward in the economic activity.

It is to be noted with concern that in the same groups the impact is insignificant to one particular social category because of social stigmatization and age old marginalization. The change is evident but slow and the SHGs have to work further in mainstreaming the SC categories and making them bankable and credible.

Table : 82 : Availability of Cash for Emergent Needs

S. No.	Cash Availability Range	SC		BC		OC		Total	
		No.	%	No.	%	No.	%	No.	%
1	From nil to less than Rs.100	0	0	3	2	0	0	3	1.5
2	From nil to Rs.101 to 1000	6	15	3	2	1	5	10	5.0
3	From nil to Rs.1001 above	0	0	0	0	0	0	0	0
4	From less than Rs.100 range to Rs.101 to Rs.1000 range	20	50	56	39	4	20	80	40
5	From less than Rs.100 to Rs.1001 above range	8	20	6	5	2	10	16	8
6	Rs.101 to Rs.1000 unchanged	0	0	45	32	0	0	45	22.5
7	Rs.101 to Rs.1000 range to above Rs.1001 range	6	15	27	20	13	65	46	23
Total		40	100	140	100	20	100	200	100

The needs of the poor are emergent, frequent and minute and the poverty is manifested in the inability to secure money to meet the small but emergent requirements whether for consumption or production purposes. SHGs have painstakingly built group corpus and are making available small quantity of money for emergent needs. The response in this regard was highly skewed but however 22% have felt that the cash for emergency purposes is available from range of Rs.500 to Rs.1000. This was still better in the case of SC respondents (45%). Highest was in the range from Rs. 1001 to Rs.5000 to Rs.5001 to Rs.10000 range before and after the SHG activities. The group practice to keep petty cash at the disposal of group

leaders adds to the cash security for emergency needs. Moreover the petty cash norms are mostly up to Rs.1000 and are common for all the groups.

The cash availability starts at disadvantage for the poor and they lean to money lenders to meet emergent or seasonal demands. The vulnerability many times culminates into debt trap. The SHG activities should address such micro needs. The confidence level of women goes up that there is emergency money available at their call. The statistical analysis below further explores whether there is significant variations in the availability of cash for emergent needs after ushering in SHG activities.

Null Hypothesis

There is no significant change as far as availability of cash for emergency needs is concerned before and after SHG activities amongst SC, BC and OC categories.

Table : 83 : Availability of Cash for Emergent Needs

Emergency cash availability range Rs.	SC (n=40)				BC (n=140)				Others (n=20)				Total (N=200)			
	Before		After		Before		After		Before		After		Before		After	
	n	%	n	%	n	%	n	%	n	%	n	%	n	%	n	%
Nil	7	17.5	0	0	6	4.3	0	0	1	5	0	0	14	7	0	0
< 100	20	50	11	27.5	56	40.0	16	10.2	4	20	1	5	80	40	28	14
101 to 1000	13	32.5	15	37.5	78	55.7	101	70.7	15	75	4	20	106	53	120	60
> 1001	0	0	14	35	0	0	23	19.1	0	0	15	75	0	0	52	26
p Value	.000**				.000**				.435 NS				.000**			

** : p- value < 0.01 Highly Significant ; * P- value <0.05 significant

NS indicates non-significance (p>0.05), n.a. not applicable

No measures of association are computed for the cross tabulation. At least one variable in each 2-way table upon which measures of association are computed is a constant. The impact is perceptible except in the OC categories who are already in the safety nets of emergency cash reserves. The SHG activities have in built programme to keep emergency cash and serve it to the needy. At micro level helplessness to procure small amounts is considered a core poverty indicator and however small the amount is, if SHG makes it available at the call and maintains high degree of transparency it is a real boon to the ultra poor women.

CHAPTER : VII

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

Summary Conclusions and Recommendations for Policy Implications

The present study was conducted with the overall objective of measuring the economic and social impact of social mobilization and institutional development at grass roots with specific reference to women Self Help Groups.

Approach of the Study

The study was conducted in Anantapur district of Andhra Pradesh state with a sample size of 200 rural households associated with the SHGs. Totally 20 self help groups were involved who were post stratified into schedule caste, backward caste and other caste households.

Pre and Post SHG situations of member household's vis-à-vis their socio economic conditions were measured with the selected performance indicators for assessment of impact of Self Help Groups on living standards of the sample households.

SUMMARY OF MAJOR FINDINGS OF THE STUDY

Socio Economic Profile

1. 29 percent of the respondents are illiterates and along with the semi literates the total is 43 percent. The illiteracy levels are reflecting upon the programmatic interventions which are more focused on monetization of the programme rather than social parameters of development like literacy. The numeracy levels of the respondents are better but not the literacy levels.
2. There is significant enrollment and retention in the children schooling including girl child education up to 8 th standard. Even the scheduled caste communities have found to be interested in sending their children to schools. After 8 th standard there is however significant school drop out for girls.
3. 15 percent of the respondents are land less without even the tenant land, which are solely dependent on labor and 70% of the respondents possess land. Respondents of Backward communities take lead in the land possession. 50% SC communities also owned some piece of land. 74% of the respondents also own house pattas. 34% have land holding size of half to one hectare. 50% of the respondents lived in semi pucca dwelling houses.
4. The bottom poor of Rs.250/- per month or less income is 6%. 14% of the households are in the Rs. 500 to Rs. 1500 range income per household per month. Majority are in the above Rs.2500 category signifying better income levels compared to their pre group situation.

5. 50% of the respondents' households are within half km vicinity to the potable drinking water in spite of the area being drought prone. Nearly half of the respondent families were better clothed with 4 to 6 pairs.
6. 77% of the respondents have responded with food security of two square meals a day through out the year. However 17% were still marginally unsecured at least small part of the year
7. With regards to sanitation 50% respondents had sanitation facility while 50% use open areas.
8. Coming to the consumer goods like fan, tv,/radio and kitchen gadgets the response was evenly distributed with 30% of respondents having any one of them, another 30% having two and rest 30% having three articles.
9. When labor analysis was done, bonded labor was recorded but women and child labor was also prevalent to the extent of 10%. In 80% cases the women and men worked together as labor to eke out livelihood.
10. For 56% of respondent the livelihood source was agriculture and agriculture labor combined.
11. When children conditions was recorded 50% of the household's children were going to school and also working whenever work pressure was there and 50% children were getting education full time.

12. 39% of the households migrated for work in the off season in search of work mostly in the categories of seasonal labor and daily labor.
13. 60% of the respondents expressed willingness to have self employment and related skill training. 10% requested for housing facility and another 10% for public distribution system facility.

Generic Analysis

1. On an average 65% groups that are sampled randomly are above 5 year old in SHG related membership and participation continually. Further there is no much difference amongst the social categories as far as experience in SHGs is concerned.
2. 30% of the SHGs have savings of more than Rs.4000 on an average and all the three social groups saved with the same vigor.
3. 13% of the respondents have positively responded on the question of taking mantle of leadership in local institutions. The response was similar cutting across all the social categories. Leadership in Self Help Groups was seen as opportunity availed by good chunk of respondents and all the social categories got into leadership role at significant levels.

A. Social Impact

1. There was positive response with regards to the question of betterment in literacy levels and all the social categories were equally positive in their responses for improvement in literacy levels.

2. There was significant progress in children education especially girl child education and child education was equally vigorously pursued cutting across the social categories.
3. Social mobilization and membership in community based organizations like Village Organizations, Water Users' Associations and School Committees were significantly brought to the purview of SHG members and it was equal opportunity for all the social categories.
4. Child labor and bonded labor were driven away as felt by the respondents but in Scheduled Caste respondents it was visible to a little extent.
5. Health indicators have shown positive impact amongst the respondents equally across the social categories.
6. Dress and appearance, family esteem and women decision making level have all recorded positive impacts but there were mixed results from SC women respondents compared to their co members in other categories.
7. Articulation, a collateral trait of SHG social networking could also get good responses recorded across all the social categories.
8. Caste and social discrimination was a mixed response though in general it made a downward trend but it was conspicuous by its presence amongst SC women. The SC women felt that they are still discriminated socially.
9. Leisure time utilization as felt by the respondents has positive impact as the members more and more leaned towards additional gainful employment with the money made available by the groups.

10. There was no much impact on gender equality and discrimination and SHGs could not do much in this front.
11. Right Based Approach was still a novice for the women after 5 years of SHG membership.
12. There was very good impact on awareness about government programmes and government sponsored benefits to the women.

B. Economic Impact

1. 80% of respondents have had incremental annual income ranging from Rs.1000 to > Rs.3000. But the distribution was highly skewed amongst three categories of respondents.
2. Collateral benefits like no., of productive days of work have increased after seeking membership in SHGs.
3. Food protection and food security, productive assets and housing have positive impact. But the degree of variance is very high amongst social categories for these performance indicators.
4. There was incremental net family worth recorded but the response was skewed unfavorably against the SC respondents.
5. The analysis revealed that the money lenders still played a conspicuous role though they are slowly waning from the micro finance market.
6. Institutional credit has made significant inroads even amongst SC families and they are becoming more and more acceptable to the commercial Banks due to their savings habit and disciplined internal lending operations.

7. Additional gainful Employment has shown positive trend with equal vigor in all the categories.
8. Stress migration has also gone down as the women could find more and more additional gainful employment with micro capital.
9. Micro Insurance has come of age as an umbrella of social security and positive responses were recorded in micro insurance services access.
10. Credit absorption capacity and creditability with the Bankers even amongst SC respondents who were hitherto treated as non Bankable have shown positive impact. Similarly, availability of cash for emergent needs to the extent of Rs.500 to Rs.1000 is reported to be made available in majority of the groups preventing them from going to the money lender and it was evident in all the social categories.

CONCLUSIONS AND RECOMMENDATIONS

Methodological Experiences

The present Research greatly rested on the pre and post SHG situations and researchers who are experienced in Self Help group facilitation can only skillfully elicit responses. That was the toughest part of the study.

The other bottleneck was the stream of government sponsored programmes which intervened and had collateral impact along with the strength drawn from Self Help Groups. The impact has to be delineated from general benefits to SHG focused self experience. This was to avoid chance improvisation and establishment of lineal

relationship between SHG activities and performance indicators was done with minimum errors. It was very difficult exercise perhaps it may be a limitation for this kind of research study on impact.

The statistical tools available have to be rigorously field tested and Pearson's Chi square Test is found to be extremely useful when more than one category respond to the similar set of questions.

The synergetic benefit has to be carefully segregated from the focus of the content of the question otherwise the results will be over generalized. The serious limitation in this kind of ex post facto study is the reliance on the remembrance of the women respondents and they have to go back and forth making mental journeys between pre and post situations. Hence the time for each response is painstakingly slow to elicit reaction level responses.

Programmatic Experiences

It is a great experience to watch ultra poor women coming out of poverty in the spirit of self and mutual help. The progress was irreversible as evident from the confidence and material progress they have made. It also takes us to reflect upon issues like where do they go from now? The answers were not easy to come and the SHG work could address the issues of ultra poverty. But the ground work experience of these women is extremely important for farther journeys in pursuit of better quality of life.

Recommendations

1. There is strong need for convergence of plethora of government sponsored programmes synergizing with community based organizations like Self Help Groups. For example the government has spent huge sums on literacy and universal primary education programmes, yet there are incidence of adult illiteracy and school drop out especially after primary education. The present Research could find that literary programmes have to deepen to get sustainable out put in other socio economic interventions.
2. The savings and credit programmes and related capacity building programmes should go hand in hand with literacy promotion and should be dovetailed to the on going efforts by the state in this direction especially in the case of Scheduled Caste women.
3. The traditional banking system has ignored the ultra poor, so goes the common belief. There are still ultra poor categories in spite of long term interventions as is evident in the present study. The poor should not get more marginalized due to social net work from the better off amongst the poor. The interveners should take corrective steps drawing cue from the present research findings.
4. The present Research made forays into the correlation between house hold income and SHG activities and found strong correlations between the two. The interveners of SHG programmes hence should make holistic attempt in

working for the improvement of house hold incomes with Self Help Group as entry point.

5. The sample contained good number of tenant and lease farmers especially amongst SC respondents. The micro capital made available through SHGs as loan can get them land for lease but the present land lease rules are heavily loaded against the land lords and they are apprehensive of the systems and keep the land fallow rather than leasing it out. If the Government and NGOs can work out models for land lease (micro lease) at mutually acceptable terms, it would go a long way sustaining the incomes of the poor through SHG activities.
6. House site patta distribution was found to be very sporadic and it was given on campaign mode. The scheme has to be institutionalized and made a continuous process. Even otherwise 20 % of the respondents were still living in hutments without pacca house. It should be holistic approach with micro housing loan schemes dove tailed to the SHG micro lending activities.
7. There is need to have specific capacity building programmes on water conservation and safe drinking water without which the drinking water schemes slowly become ineffective.
8. 20% of the respondents are still not in possession of any land and land distribution issue is taking serious proposition but land purchase through SHG route is still a distant dream. For scheduled caste house holds government is buying land through District Scheduled Caste Cooperative

Societies. The scheme has to invigorate and commercial banks can find it as Bankable proposition and Government and NGOs should work on these issues rigorously.

9. During the Research Period there was Pilot Project on Rice Distribution through Public Distributions Systems called Annapurna which was found to be extremely useful and the respondents made it singularly attributable for their house hold food security. The scheme has to be taken to scale and operate to its full potentiality through SHG route.
10. Sanitation schemes and construction of home toilets are channels of huge expenditure by the government and donors. But the usage of home toilets is far from the expectations especially with the SC communities. There is need to give fresh look to this subject.
11. Very critical observation was made while assessing the possession of house hold articles by the women. It was noted that the women have almost driven away the local money lenders from their purview and with the money available through SHGs; they are attracted by the schemes like monthly installment payments on house hold articles at high interest rates. It seems to be wastage of commitment when one set of money lenders are replaced by another. There is need for the capacity building programmes guiding the women to properly channelize their hard earned savings and financial resources.

12. The rigor with which new productive assets are added is also leading to collateral damages like in some cases children were dropped from schools to tend the animals purchased out of SHG loans. There must be peer pressure at the groups and capacity building programmes need to be designed to that effect.
13. There was stress migration during the research period without productive work available within village. The wage employment programmes like Food for Work Programme need to be invigorated especially during the summer season. There is need for capacity building and skill training program to impart artisan skills for gainful employment.
14. Similarly, the Rural Land less Employment Guarantee Programme (RLEGP) is designed making it mandatory for the local administration to provide wage employment for at least 100 days to the groups of villagers who have registered their names. It is a Right Based Programme enacted by Parliament. There is need to invigorate such schemes to reduce stress migration during the summer season.
15. Mid-day Meal Scheme was attributable factor for high child retention in schools and there is need to make it more community oriented and stretch it to the entire year during vacations also in the interests of child nutrition.
16. The 73 rd amendment to Panchyat Raj Act envisages higher role for women in local panchayats. The response recorded towards this end warrants that the

women require sensitization programmes about the amendments and their role in Panchayats.

17. The capacity building programmes in the SHGs should be so designed that there is peer pressure on the members to retain their children in the schools more so the girl children.

18. The membership in the community based organizations should not be ceremonial and ornamental with the men folk leveraging the decision making power. The capacity building programmes have to be specifically designed enlightening the women about the spirit with which women representation is envisaged.

19. The groups should be capacitated on issues like bonded labor and child labor, health and family hygiene, village clean environs, washing hands before eating etc., They have to be capacitated to be articulate and aware about village problems and solutions in line. The Capacity Building Programmes should also target on their leisure time utilization for productive purposes.

20. Many interveners in the government or NGO tend to ignore the fact that family level decision making is very important and the inclusive approach involving the other family members is very important for deepening the impact of any intervention. Especially loan decisions should involve other family members and a family counseling should precede the loan.

21. Caste and social discrimination are still forces to reckon with and the SHG should become a platform for social justice and equality.

22. There should be credit plus approach as credit alone can not bring relief to the ultra poor category especially women. The credit should be optimally blended with skill training programmes, market orientation and value addition.
22. Gender equity and right based approach should become compulsory capacity building topics at community level.
23. The housing policy of the State should be reoriented in the light of new social land scape firmly setting foot in the villages across the state in the name of SHG. The work cum living sheds should be the priority in view of the incomer generating activities that are becoming more and more a reality with the women.
24. The money lenders have taken new trajectories like house hold articles trade on installments and the women should be taught about innovative savings products to save their incremental earnings rather than channelizing the disposable surpluses to usurious money lenders in the guise of traders.
25. Institutional Credit especially from the public sector commercial banks should take a fresh policy look and the interest rates for the women should be further reduced. The entire policy frame work should center on women empowerment and not mere credit operations. The women should have eligibility for micro loans and micro pension linked credit schemes.

26. Micro Insurance is still a distant service for social security coverage and a fine tuned comprehensive micro insurance policy covering life, accident and asset risks should be brought in.

27. The groups should be more liquid and credit absorption capacity and credit plus activities should guide them and finally it is the capacity building programmes that take the micro finance activities to reach the objectives.

Finally, we can conclude that the SHG centered social mobilization process for informal institutional development at grass roots with an aim to reduce poverty has made a cognizant dent in the lives of the poor. The SHG as platform for collective expression of will with the spirit of self and mutual help has been the harbinger of hope for the ultra poor who were marginalized in spite of several poverty reduction measures meant for them since independence.

The interveners from both government and non government agencies should sustain the initial results and deepen the impact with refined programmatic interventions. The suggestions out of findings should come in handy for them.

ACTION POINTS

1. The tendency of the SHG enrolling more and more of relatively better off households having better access to institutional sources of credit should be discouraged.

2. Since the step up in the amount borrowed was one of the positive determinants of ability to cross the poverty line, the loan amount may be enhanced keeping the other aspects such as credit absorption capacity of the member in view.
3. Lower level of literacy is important deterrent against members crossing the poverty line appropriate training may have to be built in the SHG linkage programme.
4. As some house holds and groups indicated better performance their models may be studied for emulation by banks in direct linkage.
5. Training to house holds in skill enhancement would improvise the productivity of the credit. More emphasis is required on SC members.

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