



Empowerment of tribal women through micro finance: A study of Paderu Mandal in Visakhapatnam District of Andhra Pradesh

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Abstract: *There are several benefits being bestowed by the different activities under the SHG scheme. According to the study, the women respondents are receiving both the employment opportunities and the income under the scheme in the study villages. Among the villages, the respondents of Levidi are able to get more employment opportunities and incomes as the resources are available at cheaper rate for their activities when compared to other villages. Regarding activities, the vegetable marketing activity, kirana and dairy activities under this scheme are providing more employment opportunities and income to the tribal women in the study area. The findings of this study ultimately indicate that micro finance is playing very vital role in the upbringing of the living conditions of tribal women. The inferences drawn from this study ultimately suggests that, In view of fast changing scenario in tribal areas, a vision for self reliance and urge for development has to be inculcated in tribal societies especially in the women folk. These vital changes can be accomplished by establishing thrift and credit societies. Adult literacy centers, SHGs have to be established in all the interior tribal villages. The local organizations have to be empowered and guided properly in functioning and maintenance by women liaison workers and community coordinators*

Key words: *Tribals – Tribal Economy - Self-Help Groups – Empowerment – IRDP - ITDA, Probability Proportionate Sampling (PPS)- Rastriya Seva samithi (RASS).*

Introduction

In India over the centuries, a very large number of women in the rural regions, have been carrying in the burden of poverty ignorance, outmoded customs and traditional women have been lying down and surrendering all their comforts for the welfare of the children. Rather than rural men, the tribal women performs a host of activities and these activities range from child rearing to house hold affairs and farm operations. In terms of economics benefits many of these activities are not visible and flexible even then tribal women pay a crucial role in the rural economy. To leave about the

extent of knowledge, the women participation can be solicited in the Indian economy. Such activities are so needed to the rural life and the women. Collecting fuel and fodder gathering seed from forests, fetching drinking water, cooking for the house hold, child rearing, a host of household and farm operation have been performed by women because of the traditions customs and usage which have insisted the women to assume responsibility and compared men, these are all markedly different.

Against this background the India Governments have been vigorously working for the empowerment of women



in general, tribal women in particular by launching various developmental programmes of which Development of Women and Children in Rural Area (SHG) is prominent one. Therefore an attempt has been made to look through the impact of the above said scheme on alleviation of poverty of tribal women. One such effort is the SHG scheme which was introduced in 1982 as a subcomponent of IRDP to accelerate the integration of women with the rural development programmes. The primary objectives of the

SHG scheme is to focus attention on the women members of rural families below the poverty line with a view to providing them with opportunities of self employment as sustained balls. The SHG programme in India is initially introduced in 50 selected districts. Later, it was extended to more districts in a phased manner.

In this regard the study of Venkata Ramana, M. (1995) comparatively studied the functioning and performance of SHGs, by way of observing two successful groups and failed groups. Hemalatha Prasad, C. (1995) has carefully examined the socio economic factors that make a SHG group successful in a case study undertaken in Gorgon Dist. of Haryana. Manimekala and Rajeswari (2000) examined the empowerment of women through SHGs in rural micro enterprises in Tiruchinapalli district of TamilNadu. Based on both primary and secondary data, Datta and Raman (2001) studies SHGs under Rastriya Seva samithi (RASS) at Tirupati. From these studies it is revealed that the Self Help Groups (SHGs) are viable alternatives is to achieve the objectives of rural development and to get community

participation in all the rural development programmes SHGs is a viable organization set up to disburse micro credit to the tribal women for the purpose of making them enterprising women and encouraging them to enter into entrepreneurial activities. The women led SHGs and SHGs have successfully demonstrated how to mobilize and manage thrift, appraise credit needs, maintain linkages with the bank and enforce financial self – discipline.

These studies also reveal that an in depth analysis of SHG scheme is very essential to find out whether such a programme is contributing for women enlistment economically and socially. There is also a need to identify the loopholes in the scheme for making them operationally successful. The above analysis shows that SHG is one of the important programmes to tribal women and it is a boon to the tribal women-folk. The studies in the context of working patterns of SHGs in Visakhapatnam district are very few. On the other side the earlier studies have more gaps and not covered the determinants of productive activities various independents and appropriate statistical tools to analyze the study. The need for rural development programmes specifically for the development of tribal women is much imperative in a backward region like Visakhapatnam District. Hence an attempt is made in this study to evaluate the SHG programme in Paderu Mandal of Visakhapatnam District.

Methodology:

This study is based on both primary as well as secondary date sources. The Paderu mandal of Visakhapatnam district is selected for the



study because it is one of the most backward areas in the state. The selected mandal has high poverty, lowest female literacy rate, high birth and infant mortality rates, poor health status and large socially disadvantaged sections of population (SC ST& BC). Thus the Paderu mandal is a typical case for analyzing the social dynamic operating against the emancipation of women through social mobilization and economic support and self-employment programmes. Secondary data on status of SHG programme in the Paderu mandal have been collected from annual reports of IRDP, district year books published by Chief Planning Officer and women and child development offices, Visakhapatnam. The study is limited to Paderu mandal of Visakhapatnam district of Andhra Pradesh.

To select the sample Multi Stage Random Sampling technique is applied in sample selection. The process of selection involves stage-I selection of village, stage-II selection of Self Help Groups and stage-III selection house hold. In stage-I from Paderu mandal three villages Levidi, Gumma and Lothu Gedda are selected. At stage -II from each village 6 SHGs are selected. At stage-III from each selected SHG ten member households are selected. Totally 18 SHGs from Paderu mandal are selected for evaluating the functioning of SHGs at group levels. For purpose of studying the impact of SHGs on socio economic conditions of the SHG members 10 members from each SHG, a total of 180 households are selected by following the Multi stage, Probability Proportionate Sampling (PPS). Data was ascertained from each selected SHG member with the help of a structured questionnaire by Personal Interview method.

FUNCTIONING OF SELECTED SHGs:

The center and state Governments have been implementing the SHGS scheme with a sacred objective of alleviating the poverty among downtrodden sections and women section of the society. In this study an attempt has been made to evaluate the performance of SHG scheme. More specifically an attempt has been made to study to what extent the scheme is helpful to increase the awareness of the tribal women in the Paderu mandal of Visakhapatnam district.

A. SHGs Participation in Developmental Activities:

At the outset to assess the functioning of selected SHGs important aspects like participation of SHG members in various developmental activities, the level of, matching/grant/revolving fund drawn and amount fertilization particulars, amount repaid by the SHG members in the study area have been discussed. Along with thrift, the SHG/SHG has been giving priority to health, family welfare, literacy, and social awareness activities like convergence activities as a basic determinant of the family's economic development and welfare. These activities also recognized by SHGs of Paderu mandal in Visakhapatnam District. Table 1 shows the active role played by SHG members in various developmental activities like participation in Mahila Mandal meetings, craft centers, thrift movement, health & family camp, prohibition literacy complain, and Pallebata etc. in the study area.



Table 1:SHG members' participation in developmental activities

s.no	Topic	Levidi	Gumma	Lothu Gedda	Total
1	Mahila mandal activities	51 (65.00)	43 (71.67)	30 (50.0)	124 (68.89)
2	Craft centre	30 (50.0)	14 (23.33)	8 (13.33)	52 (28.89)
3	Health and family welfare campaign camp	55 (91.67)	26 (43.33)	14 (23.33)	85 (47.22)
4	Literacy campaign	50 (83.33)	30 (50.0)	24 (40.0)	104 (57.78)
5	Thrift	60 (100.0)	44 (73.33)	32 (55.67)	132 (73.33)
6	Praja padam/Pallebata	40 (66.67)	30 (50.0)	21 (35.0)	81 (45.00)
	Total	60	60	60	180

Note: figures in the parenthesis are percentage to column total

It is found from the table 1 that, a majority of respondents participated in thrift (73.33 percent), family welfare and health campaign and Mahila mandal activities (68.69percent), Prajapadam, pallebata (45 percent) and literacy aspects (57.78 percent) respectively. Among the three villages SHGs the proportion is relatively higher in Levidi groups ranging from 65percent in Mahila Mandal and in thrift (100 percent). In the case of Gumma groups the selected SHG members ranging from 23.33 percent in literacy aspects and 73.33 percent in thrift Across the Lothu Gedda groups they are ranging from craft centers (13.33 percent) and in thrift (53.32 percent). It is observed from the table that, the thrift activities have

occupied a good position in all aspects of SHGs. Thrift concepts linked with bank linkage and bank loans. So it may be a reason behind well performance of the SHG members in thrift activities rather than in other activities. As a whole it is observed that, a major number of the respondents have participated in village development activities for the free of cost and they consist of 61.17 percent of the total respondent. It is so because everybody wants to keep his/her village in a good position. It may not be continues process. In the leisure time every one ready to participate in the village development programme

B. SHGs participation in Different Activities:



The selected SHG members of all the selected three villages are participating in different programmes. The information relating to their

participation in different activities and programmes are presented in the following Table 2.

TABLE- 2. SHG Members Participation in Different Programmes

S.no	Topic	Levidi	Gumma	Lothu Gedda	Total
1	Mahila mandal activities	50(83.33)	20(33.33)	8(8.87)	78(43.33)
2	Thrift	60(100.0)	45(75.0)	28(46.67)	133(73.89)
3	Family planning	52(86.87)	38(63.33)	18(30.0)	108(60.00)
4	Health aspects	58(96.97)	30(50.0)	14(23.33)	102(56.67)
5	Literacy aspects	42(70.0)	23(38.33)	13(21.67)	78(43.33)
6	Praja padam/ Pallebata	40(66.67)	29(48.33)	19(31.67)	88(48.89)
	Total	60	60	60	180

Note: Figures in the parenthesis are percentage to column total

From the table 2 it can be noticed that, the selected SHG members are participating in the discussion on various developmental aspects to be organized by them. Among the SHG members, majority of respondents discussed about thrift (73.89 percent), followed by family planning and health (60 percent), participating in the programmes like pallebata to place their problems before the administration (48.89 percent), literacy aspects (43.33 percent) and Mahila Mandal activities (43.33 percent). From the above table it is revealed that the Self Help Groups (SHGs) are viable alternatives to achieve the objectives of rural development and to get community participation in all the rural development programmes.

C. Financial Assistance Received by Selected SHGs from Different Sources:

SHG is a viable organization set up to disburse micro credit to the tribal women for the purpose of making them enterprising women and encouraging them to enter into entrepreneurial activities. The women led SHG and SHG have successfully demonstrated how to mobilize and manage thrift, appraise credit needs, maintain linkages with the bank and enforce financial self – discipline. The theoretical aspects of protection are necessary to built the sector or at gross root level. In this regard an attempt is made to analyze the revolving fund utilization sanctioned by Government .through DRDA. Matching



/revolving fund are the amount provided by Government as the simple payment worth of Rs. 10,000 to 15,000 per group. The amount to be drawn for two purposes viz. economic or productive purpose and unproductive purpose or daily transaction. The SHGs are also attempt to the demand for money for the above purposes. But they are living in poor economic conditions. Hence they may depends on financial support which they were created themselves called Self-Help Groups Fund, this fund may includes, matching grant, SHG Fund, financial recovery of debts, interest on borrowing saving, Government special grants, special grant from NGOs, profits from SHG activities, in some cases donations to the groups, in centres etc. SHG is a right organization to provide money when they need for money.

The drawn money by the SHGs may be used for productive and non-productive purposes. In tribal areas the families are very poor and they are unable to reach their daily transactions they needed money for, health, marriages, functions, cloth, education, house repairs, unforeseen distress, deliveries and maintenance of old age people child care etc. These people are depending more on moneylenders. SHGs attacking the situation and releasing money to their own needs taking into consideration the needs of respondents pushed them to draw funds from the financial institutions. In this context the details pertaining to the amount drawn by the selected SHG members has presented in table 3.

Table- 3. Amount drawn from matching grant fund by the selected SHGs.

No	No. of times drawn	Levidi	Gumma	Lothu Gedda	Total
1	1 st time	30,000 (75.0)	24000 (60.0)	20000 (50.0)	53000 (44.17)
2	2 nd time	33000 (82)	21000 (52.50)	15000 (37.50)	69000 (57.50)
3	3 rd time	39000 (97.50)	26000 (65.0)	14000 (35.0)	84000 (70.0)
4	4 th time	40000 (100.0)	15000 (37.50)	--	55000 (45.83)
Total		40000	40000	40000.	120000

Note: figures in parenthesis are percentage to column totals

From the Table 3 it can be observed that the selected SHGs are able to tap Government support. The selected SHGs raised their resources to the tune of Rs. 88.235 as matching grant from DRDA, Visakhapatnam. But the above grant was kept with the concerned banks in the form of fixed deposits according to the Government rules. In recent months, by the pressure of SHGs releasing the

money basing on the rate of saving and matching grant to income generating activities to eradicate middle men and bogus group formation in field, the DRDA made a policy they released matching grant in the name of groups and kept with Banking institutions as the group avail credit linkage with the bank. Total amount of matching grant of SHGs is Rs. 1, 20,000 and drawn in 4 times. The



drawn amount utilized for productive purposes and little portion of amount is also used to un-productive activities like family maintenance expenditure. The pattern of matching grant drawn during 1st to 4th times is registered as 44.71 per cent, 57.50% 70% and 45.83 percent respectively by unanimous decision of all SHG members. In the case of three villages, the proportion of the amount drawn during the period, Levidi groups drawn higher compared to the two categories. It is ranging from 75 to 100 percent. Regarding Gumma groups the percentages indicating a fluctuating trend in the drawn position. The highest amount is drawn in the third time and later it is recorded to 35.50 percent. On the other hand the amount drawn by Lothu Gedda groups in each time showed a declining trend from 50 to 35 percent.

D. Utilization Patterns:

The concerned Banks have not able to release or accept to draw amount if the saving position of SHGs are not in good position and if they are not able to fulfill the required ratio with matching grant. It is found that Levidi groups are better in saving position in the study area. In addition to the matching grant, SHGs have bank linkage facilities. The concerned branches extended their support to SHGs in the form of credit advance. The three selected villages SHGs have receive the bank facilities but Levidi village stood in first place in utilizing the amount to income generating productive activities. The utilization pattern of bank finance towards productive and other purposes is presented in table 4.

Table -4

Amount utilization on productive and consumption purposes BY SHGs

No	Productive and Consumption	Levidi	Gumma	Lothu Gedda	Total
1	Sheep rearing	75000 (18.34)	80000 (26.14)	-	155000 (16.65)
2	Vegetable Cultivation and vending	60000 (14.67)	45000 (14.71)	65000 (30.01)	170000 (18.26)
3	Jute based products	86000 (21.03)	65000 (21.24)	-	151000 (16.22)
4	Dairy	45000 (11.0)	-	-	45000 (4.83)
5.	Petty trade	28000 (6.85)	-	61000 (28.24)	89000 (9.56)
6.	Agarbatti production	55000 (13.0)	50000 (16.34)	-	105000 (11.28)
7.	Consumption purpose	60000 (15.0)	66000 (21.57)	90000 (41.67)	216000 (23.20)
8	Total amount utilization	409000 (80.0)	306000 (65.81)	216000 (54.68)	931000 (67.91)
9	Total amount sanctioned	511000	465000	395000	1371000

Note: figures in parenthesis are percentage to column totals



From the Table 4 it can be noticed that the total amount sanctioned to SHGs is recorded at Rs. 1371000, but only 67.91 per cent of amount is utilized in various income generating productive activities viz; sheep rearing, vegetable cultivation and vegetable vending, jute based products, dairy, petty trade and agarbathi production. The proportion of amount utilized on the above-mentioned productive economic activities is 67.91 percent. Out of which 16.65 percentage of amount utilized on sheep rearing, petty trade has occupied 9.56 percent of amount. The remaining amount is

utilized for vegetable cultivation and vegetable vending (18.26), Jute based products (16.22%), Agarbatti Production (11.28%) and Dairy (4.83%). Among the three village SHG members, large proportion of amount is utilized in Levidi (80.0%) and second place got by Gumma followed by Lothu Gedda (54.68 except Lothu Gedda groups remaining groups have taken 4th time bank linkage.

E. Repayment Position:

The repayment patterns of selected SHGs are presented in the following Table-5.

Table- 5

Amount repaid by selected SHG members

Sl. No.	Particulars	Levidi (N=60)	Gumma (N=60)	Lothu Gedda (N=60)	TOTAL
1.	Amount taken	409000	261000	216,000	931,000
2.	Amount repaid	409000 (100.00)	269.00 (87.91)	149,000 (68.98)	8,27,000 (88.83)
3.	Out standing	-	37,000 (12.09)	67,000 (31.02)	1,04,000 (11.17)

Note: Figures in parenthesis are percentage to column totals

Amount repaid by SHG members of bank loans including, Bank linkages, bank micro enterprises credit loan. Presented in the above Table 5 shows that the loan repayment performance of the SHG members out of the total amount taken by the groups is quite satisfactory, as a whole the proportion of amount repaid is 88.83 percent and the remaining 11.17 per cent is recorded as outstanding registered with the institutions. Among the selected villages SHG members, the proportion of amount repaid is 100 percent in case of Levidi village groups, the repayment of Gumma groups is

recorded as 87.91 percent and 68.98 percent is recorded in case of Lothu Gedda groups. Similarly the amount outstanding is recorded as zero in case of Levidi groups, 12.09 percent in case of Gumma groups and 31.02 percent in case of Lothu Gedda Groups. This situation explains that the proportion of amount outstanding is different from one village to village. Low level of incomes, returns, high consumption may be attributed as the reasons behind the poor recoveries of loans in the Lothu Gedda and Gumma villages.



It is observed from this study that the amount drawn by different SHGs in different villages shows that, the SHGs in Lothu Gedda village drawn finance from the banks on the name of productive activities and the amount are utilized for consumption purposes. The SHGs in Lothu Gedda are spending the loan amounts received by them for consumption purposes. Hence this study suggests the need for providing proper guidance and supervision to all the SHGs in the adoption of productive and income generating activities.

Conclusion:

There are several benefits being bestowed by the different activities under the SHG scheme. According to the study, the women respondents are receiving both the employment opportunities and the income under the scheme in the study villages. Among the villages, the respondents of Levidi are able to get more employment opportunities and incomes as the resources are available at cheaper rate for their activities when compared to other villages. Regarding activities, the vegetable marketing activity, kirana business activity and dairy activity under this scheme are providing more employment opportunities and incomes to the tribal women in the study area. The findings of this study ultimately indicate that micro finance is playing very vital role in the upbringing of the living conditions of tribal women. The findings of this study ultimately suggests that, In view of fast changing scenario in rural areas, a vision for self reliance and urge for development has to be inculcated in rural societies especially in the women folk. These vital changes can be accomplished by establishing thrift and credit societies. Adult literacy centers, SHGS groups have

to be established in all the interior rural villages. The local organizations have to be empowered and guided properly in functioning and maintenance by women liaison workers and community coordinators.

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