
National Seminar on

**BIO-CULTURAL DIVERSITY AND SUSTAINABLE DEVELOPMENT:
CONTEMPORARY ISSUES AND CONSEQUENCES**

(11TH & 12TH March 2011)

*organized by
Department of Anthropology
S.V. University, Tirupati*

Presentation on

**Self Help Groups-A Gateway to Development and
Empowerment: A case study of Scheduled Castes in
Chittoor District of Andhra Pradesh**



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*Presentation by
K. Raja Reddy & N. Padmaja*



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Context of the Study

- **Largest CBMF programme in the world**
- **SHG-BL the largest FI Prog. in the country**
- **Social & financial exclusion of vulnerable**
- **Disparity in loan volumes**
- **Interventions for the Poorest of the Poor**
 - i) Revolving fund, ii) Community Investment, iii) VO-bank Linkage, iv) Pavalavaddi, v) NREGS, vi) Comprehensive Land Development, vii) Gender, viii) Institutional building,*



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Objectives of the Study

- To know how far the SCs brought into SHGs
- To know the debt status of SHG member HHs
- To know SHGs' access to formal financial services
- To know the changes in HH economic activities
- To know how far the SHG members have been empowered



Research Methodology

Sampling units

- 3 Rev. Div; 6 Mandals; 30 Villages; 60 SHGs; 180 Mem.
- Purposive and random sampling

Data collection techniques

- FGD, Case Studies, Observation
- Interview Schedule

Nature of data- primary & secondary

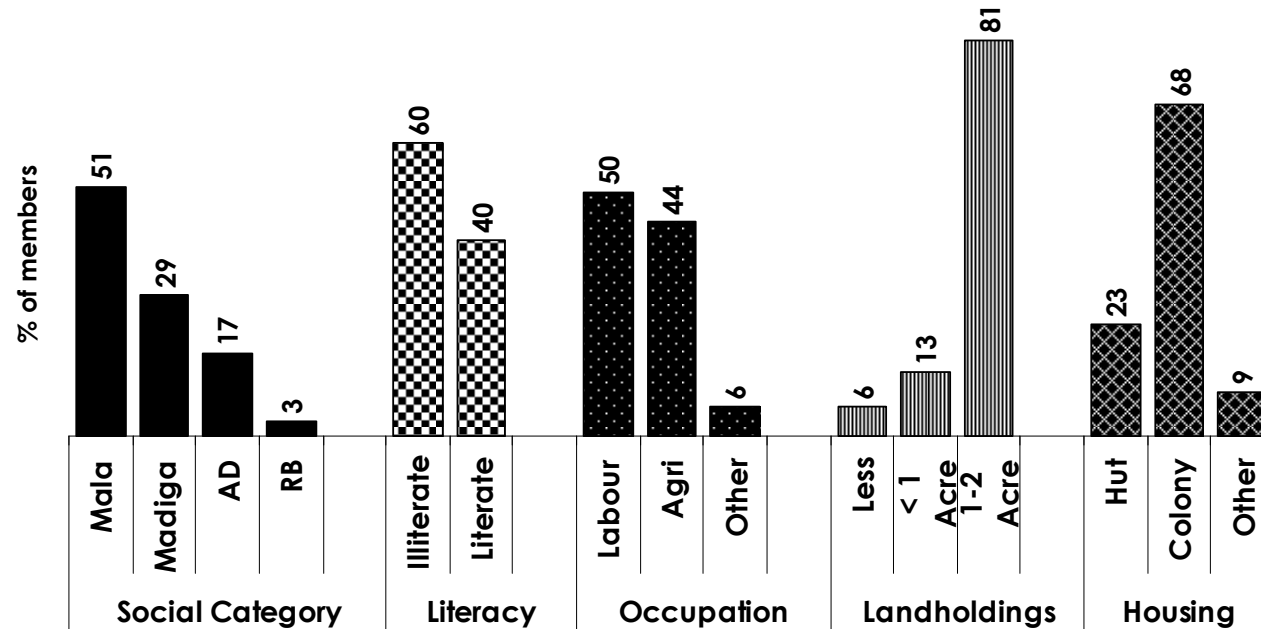
- Primary & secondary
- SHGs, BMs, Fed. & CBRM Members, IKP Staff

Period of data collection between Jul- Oct 2010



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Profile of SHG Members



- Most of the members are BPL category
- Rs. 45158 avg. income of the household
- 92% of sample SHG members are working



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Why did they form into groups?

- To get credit on low interest rate
 - Credit for income generation activities
 - To get loans for emergency needs
 - Access & avail Govt. pro-poor programs
 - Promote savings for future needs
 - Selection of members- inclusion & exclusion
 - i) Geographic, ii) Economic iii) Social conditions,*
 - iv) Personal aspects, v) Group norms*
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SHG Scenario in Chittoor District

- About 58000 SHGs covering > 6 lakh members
- About 20 per cent are SHGs of SCs
- > 2000 SHG federations at different levels
- > Rs. 6000 lakh of CIF for IGA, SD, PI
- > Rs. 32 crores as Pavalavaddi
- > 49000 SHGs credit linked to bank
- Rs. 76000 crores of loan O/s
- 73 recovery rate

IGA-income Generation Activities; CIF-Community Investment Fund; SD-Social Development; PI-Physical Infrastructure; O/s- Outstanding



SHGs and Bank Linkage

Composition of SHGs

- 7-15 with an average of 11 members
- About 10% membership withdrawal/dropouts

Savings

- Monthly meetings & savings are common
- Rs. 21 lakh cum. Savings; Rs. 3210 per member
- Increase in monthly saving amount

Credit linkage with banks

- 2 to 5 times credit linked to bank
- Rs. 178 lakhs of cumulative loan
- Rs. 3 lakh per SHG; Rs. 28,000 per member



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Household Debts and SHGs

Fig-1: Sources of Credit

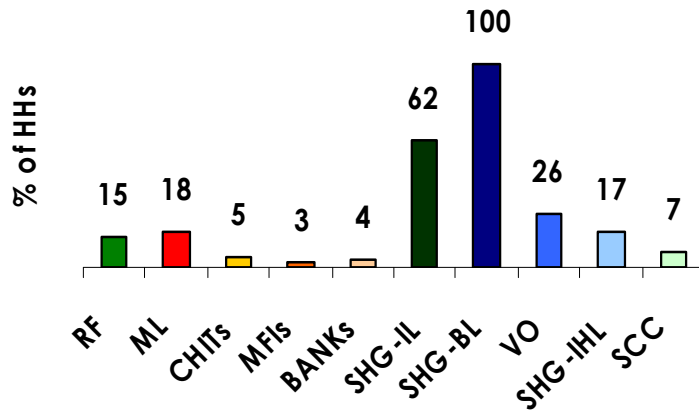


Fig-2: No. of Loans

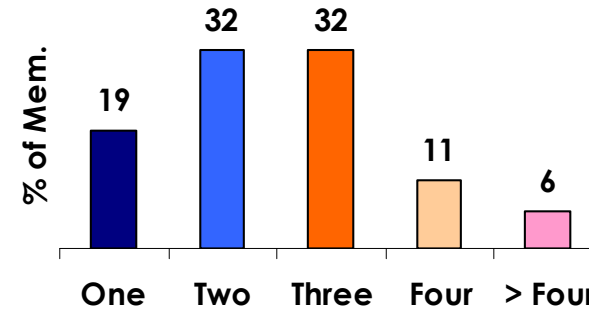


Fig-4: Average Amount of Loan

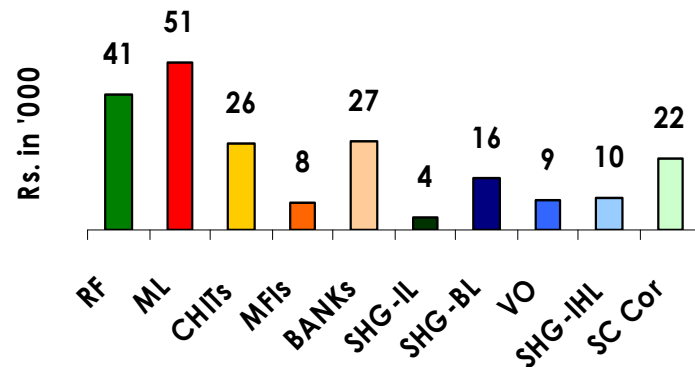
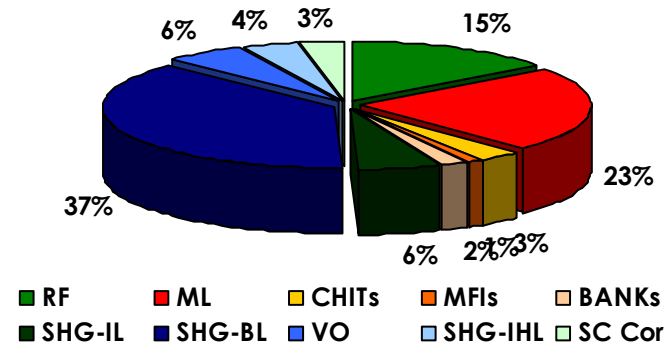


Fig-3: Source-wise Amount of loan (in %)



RF-Relatives & Friends; ML-Money Lenders, MFI-Microfinance Institutions, BL-Bank Linkage, VO-Village Organization, IHL-Indiramma Housing, IL-Internal Lending, SCC-Scheduled Castes Corporation



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Purpose of Loan & Utilization

Fig-1: Purpose-wise No. of Loans

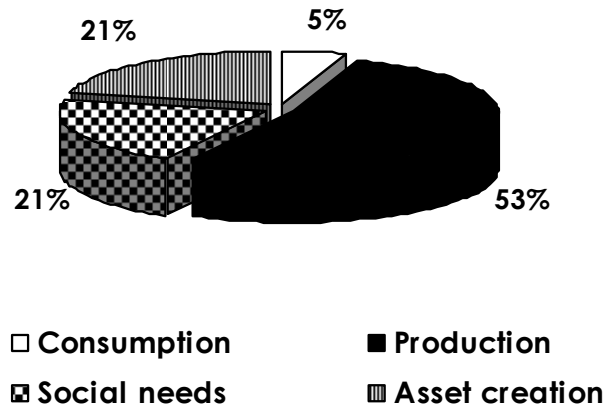
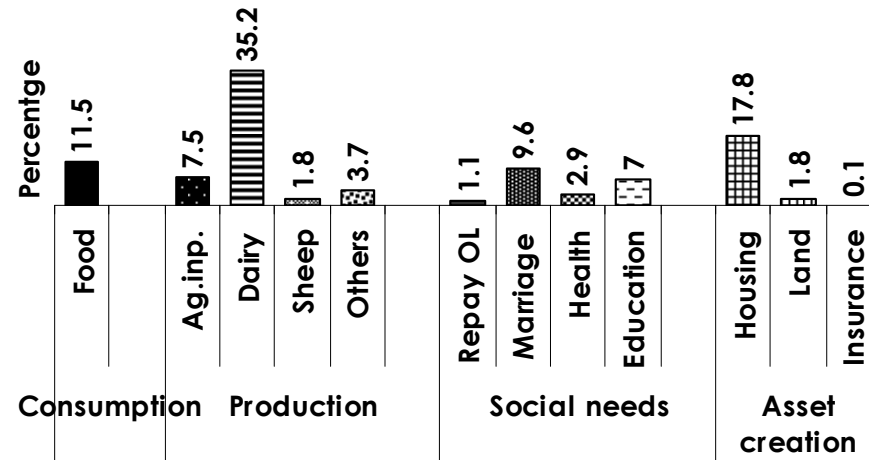


Fig-2: Purpose-wise loan amount



• How do they repay ?

HH income and credit sources

Internal - wage, HH income, mortgage of goods

External - Hand Loans-R&F, money lenders, MFIs



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Dynamics in HH Economic Activities

Fig-1: Economic Activities of Households

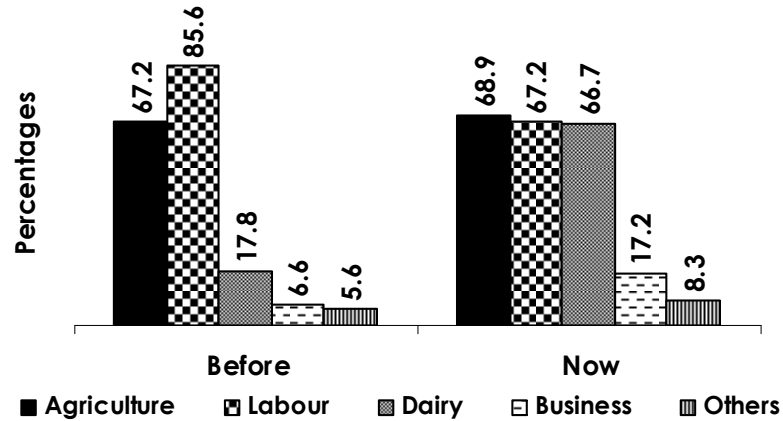
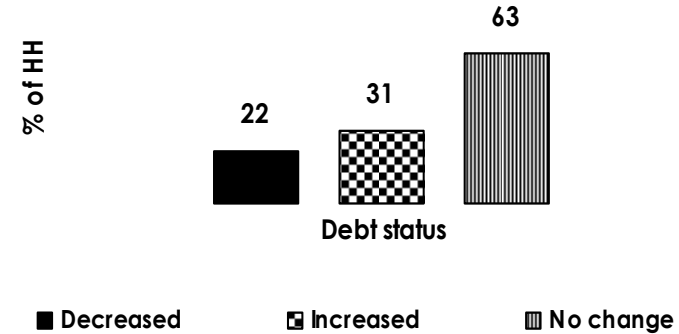


Fig-2: Change in HH Debt Status

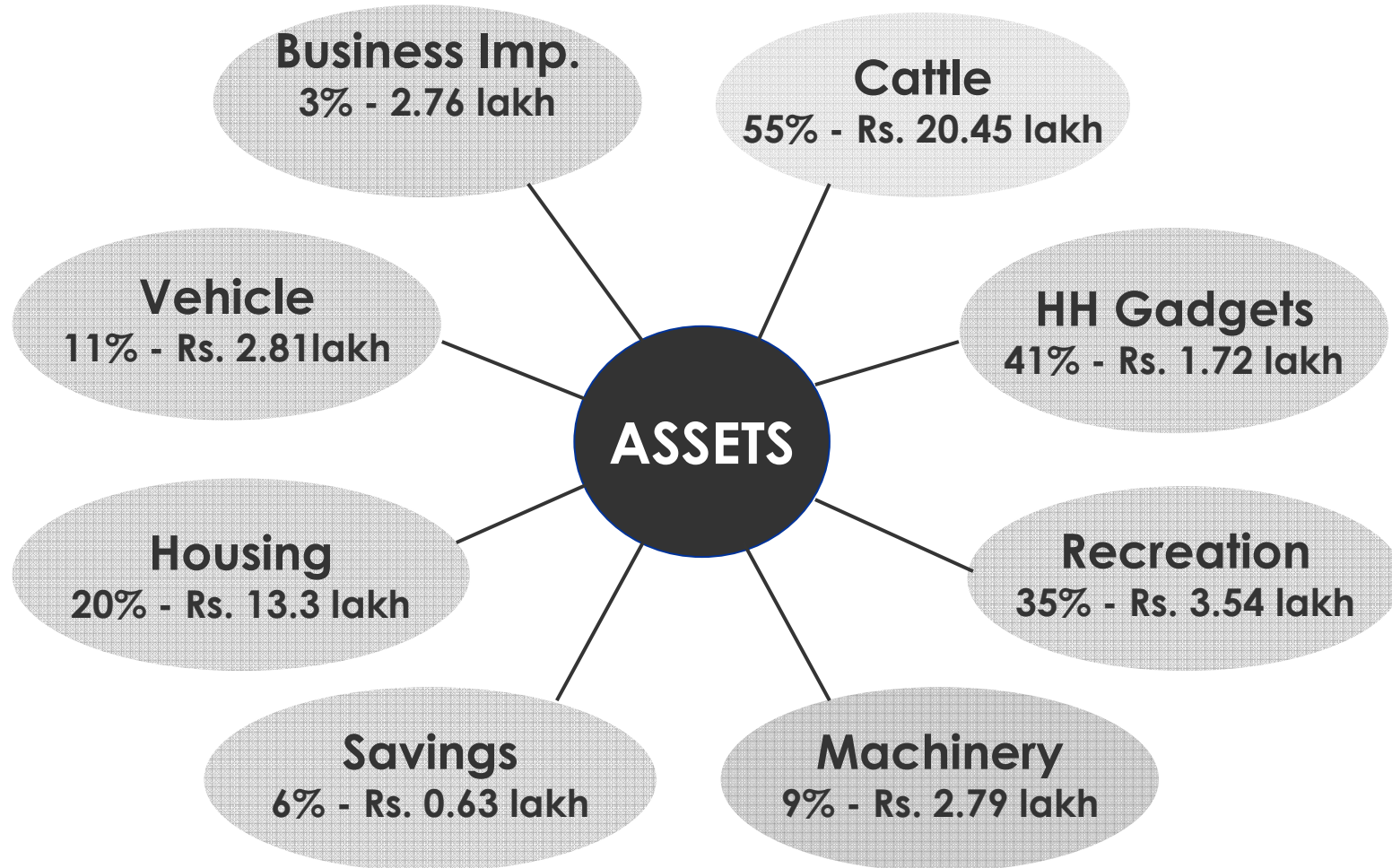


Benefit	Wife	Husband	Children	Others
More employment	47.2	31.7	3.3	0.6
New employment	10.6	10.0	2.2	--
Education	1.1	0.6	41.7	2.8
Health Improved	10.0	15.6	1.1	1.7
Livestock	32.2	11.1	1.1	--
Marriage	--	--	10.6	--
Other	11.1	3.3	4.4	0.6

HH-Household



Asset Creation





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Beyond Credit-Self Confidence

<u>Particulars</u>	<u>Before</u>	<u>Now</u>
• Learning to sign	37	94
• Confidence to approach bank	11	96
• To face visitors	12	96
• Skill to deal with the main stream	11	95
• Confidence to start new SHG	8	74
• Awareness of rights	9	89



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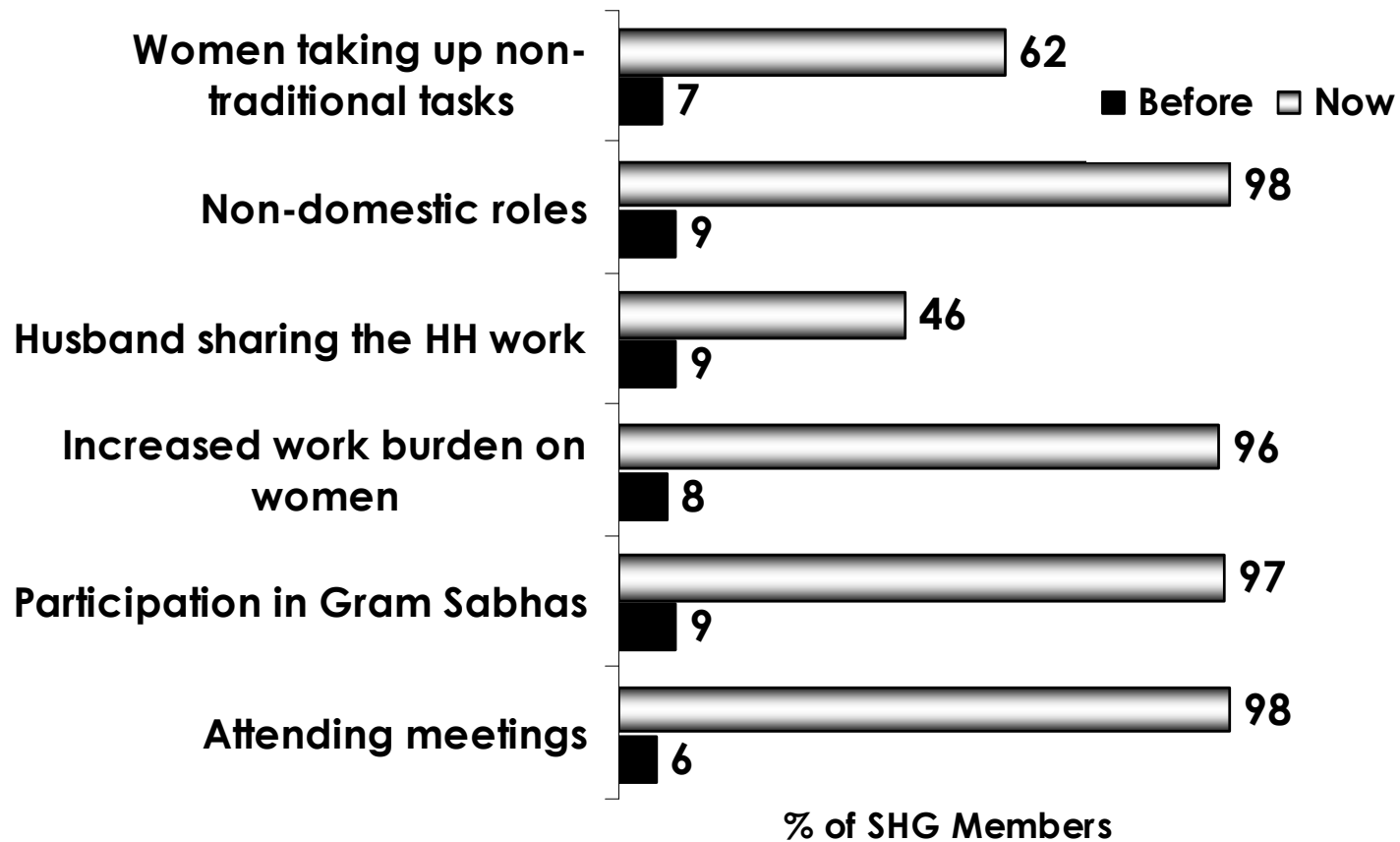
Decision Making

<u>Particulars</u>	<u>Opinion on the Role in Decision Making (in %)</u>							
	<u>Before</u>				<u>Now</u>			
	<u>Solely</u>	<u>Major</u>	<u>Equal</u>	<u>Minor</u>	<u>Solely</u>	<u>Major</u>	<u>Equal</u>	<u>Minor</u>
Purchase of assets	6	5	28	62	11	7	79	3
Family savings	7	4	24	65	16	9	70	5
Children's education	7	8	26	60	9	14	72	5
Children's marriage	7	9	25	59	8	13	74	4
Occ. change	6	7	24	63	9	13	70	8
Casting of own vote	16	4	21	59	33	9	45	13
Purpose of loan	6	3	29	63	15	12	68	5
HH infrastructure	6	3	35	57	10	8	78	4



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Changes in Women Roles





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Learning...

- **The vulnerable women brought into SHGs; but very poor and PWDs are still outside the SHGs**
- **All SHG members have been accessed to FFIs; Still, a good number of members depend on IFIs for large credit**
- **Loans utilized equally for production and non productive purposes; mostly loans repaid from HH income sources**



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Learning

- **There is a modest lineal and lateral occupational mobility; substantial investments on asset building and social capital**
- **Remarkable increase in SHG members self confidence levels, decision making, and changes in women roles**
- **In conclusion, it is evident that the SHGs have paved the way for the development and empowerment of SC women**

Open for discussion... & Thank you

For further details contact:

Dr. K. Raja Reddy, krajareddy@apmas.org
Associate Vice President-Research & Advocacy

APMAS

Plot No. 20, Rao & Raju Colony
Road No-2, Banjara Hills, Hyderabad
Ph: +91-40-23547952/27; Fax: +91-40-23547926
Web: www.apmas.org; www.shggateway.in
email: info@apmas.org