

WOMEN EMPOWERMENT THROUGH SHGS
A study of Nizamabad district, Andhra Pradesh

For
Indira Kranthi Patham (IKP)
Nizamabad District

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This is a maiden effort of APMAS to study district level impact of the SHG movement. We sincerely hope that all the major stakeholders find this report useful to enhance the program implementation and to effect appropriate policy changes. Needless to say, I am responsible for all omissions and commissions in the interpretation of the data and report writing. As always, we welcome your feedback and suggestions to improve the report.

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Acronyms

AGM	: Assistant General Manager
ANM	: Auxiliary Nurse Midwife
AP	: Andhra Pradesh
APDPIP	: Andhra Pradesh District Poverty Initiatives project
APRPRP	: Andhra Pradesh Rural Poverty Reduction Project
APREGS	: Andhra Pradesh Rural Employment Guarantee Scheme
BC	: Backward Classes
BPL	: Below Poverty Line
CA	: Community Activist
CBO	: Community Based Organization
CC	: Community Coordinator
CIF	: Community Investment Fund
CEO	: Chief Executive Officer
CLDP	: Community Land Development Programme
CMEY	: Chief Minister Employment Yojana
CRP	: Cluster Resource Persons
DAP	: Differently endowed Persons
DCCB	: Development Credit Cooperative Bank
DRDA	: District Rural Development Agency
EGS	: Employment Guarantee Scheme
GoAP	: Government of Andhra Pradesh
GP	: Gram Panchayat
Govt.	: Government
HH	: Households
IGA	: Income Generation Activities
IKP	: Indira Kranthi Patham
ISL	: Individual Sanitary Latrines
IT	: Information Technology
JRY	: Jawahar Rozgar Yojana
LH	: Livelihoods
KM	: Kilometers
MACS	: Mutually Aided Cooperative Societies
MBK	: Master Book Keeper
MCP	: Micro-Credit Plan
MDO	: Mandal Development Officer
Min	: Minorities
MRO	: Mandal Revenue Officer
MS	: Mandal Samakhya or Mandal level Federation
NA	: Not Applicable
NABARD	: National Bank for Agricultural and Rural Development
NGO	: Non-Governmental Organization
NTFP	: Non - Timber Forest Products
NPA	: Non-Profitable Assets
NSA	: Net Sown Area

OC	: Open Category
PD	: Project Director
PHC	: Primary Health Centre
PRI	: Panchayat Raj Institutions
PV	: Pavala Vaddi
RF	: Revolving Fund
RMP	: Registered Medical Practitioner
RRBs	: Regional Rural Banks
RYS	: Rajiv Yuva Shakthi
SC	: Scheduled Castes
SERP	: Society for Elimination of Poverty
SHRE	: Hashemi and Riley's Empowerment Index
SHG	: Self-Help Groups
SPSS	: Statistical Package for the Social Sciences
ST	: Scheduled Tribes
STD	: Subscriber Trunk Dialing
TCS	: Tata Consultancy Services
TFI	: Total Financial Inclusion
TV	: Television
UN	: United Nations
VO	: Village Organization
ZS	: Zilla Samakhya or District Level Federation

Executive Summary

1.0. Introduction

- 1.1. Women work two-thirds of the world's working hours, earn 10% of the world's income and own less than 1% of world's property. Women make up 70% of 130 cr. people, who live in absolute poverty around the globe and make up two-thirds of 87.6 cr. adults worldwide, who can not read. Girls make up 60% of 7.7 cr. children that do not attending the primary school (CARE, Undated).
- 1.2. Such inequalities are more startling in developing countries, like India. The Government of India, after independence, is committed to secure equal rights to women. In recent years the empowerment of women has been recognized as the central issue determining the status of women.
- 1.3. The Government of Andhra Pradesh (GoAP) has been in the forefront in the area of women empowerment. In recent years, the GoAP has been consciously taking a number of measures for women empowerment. Among various anti-poverty and empowerment programs of the state, the Indira Kranthi Patham (IKP, previously known as **VELUGU** supported by the World Bank) is the most popular project focusing on development and empowerment women.
- 1.4. IKP is one of the largest women development and empowerment project in the country with a total outlay of Rs.2,140 cr. It is being implemented in two phases in 864 Mandals in 22 districts. Over 56% funds were meant for creation of corpus for the members and given as "seed capital" to the Mandal Samakhyas. By mid 2004, the project achieved major part of targets. At the end of June 2007, the project is servicing 6,95,707 SHGs and 87,06,969 members (SERP, 2007).
- 1.5. According to the Planning Commission estimates, the rural poverty in AP has declined steeply between 1983 and 2003-04, compare to that of national rural and urban poverty. Rural poverty in AP at 10.85% is one of the lowest in the country vis-à-vis 28.27% of national rural poverty (Dev, 2007). The SHG program/ IKP, which is basically a rural based program, could be considered as one the contributory factor for this steep decline and low rural poverty in the state. It may be noted, that the Government of AP survey of poorest of poor (POP) survey indicates majority of AP population is poor. These variations are result of differences in the definitions of poverty adopted in these two surveys.
- 1.6. However, the impact of IKP/ SHG program on women empowerment is not known. The development literature indicates that mere economic development may not lead to real empowerment. Therefore it is essential to assess continuously whether the envisaged empowerment is taking place or not.
- 1.7. To assess the process of SHG women empowerment in Nizamabad district, the present study was initiated by APMAS in collaboration with the IKP, Nizamabad.
- 1.8. The specific objectives of the study are: (a) to understand the process and status of women empowerment in the district, (b) to learn the contributory factors for

women empowerment, and (c) to know the changes in the process of empowerment over the past three years.

- 1.9. Primary data has been collected for this study from all the three revenue divisions of the district. In each division, one backward Mandal and one relatively better off Mandal were selected. From each of the six sample Mandals, one village situated close to the Mandal headquarters and one remote village were selected. In each of 12 sample villages data was collected from 10 members of different SHGs, including one-third leaders. Special care was taken to cover more number of members from weaker sections like ST, SC and Minorities. As one of the objectives of the study was to assess the improvement / impact over the past three years, care was taken to select members, who have three years and above membership in SHGs.



- 1.10. Apart from 10 primary stakeholders, information was gathered from five key informants such as shopkeepers, Sarpanch, VO office bearer or staff, village level key resource person and money lender/ big farmer in each village. At Mandal level information was gathered from bank manager and office bearers/ staff of MS. At district level consultations are made, apart from the PD, IKP, with lead bank manager, AGM, NABARD and one NGO.
- 1.11. For each set of sample, separate schedule or check list was used to collect the information.

2. Profile of the district and sample members

2.1. Nizamabad, the district

- 2.1.1. The district was under the Nizam rule until independence. It appears that the agriculture development was neglected for a long time. Agri-allied activities such

- as livestock, fishing, (forest) gathering and non-farm activities like Beedi rolling are important sources of livelihood.
- 2.1.2. It is predominantly a rural district with 82% people living in rural areas. Most of the habitations are small. The literacy rate 53.26% in the district is lower than the state rate of 60.47%. There is a big variation between literacy rates of male (66.27%) and female (40.57) in the district. Population density in the district is higher than that of the state.
 - 2.1.3. The district is favorably endowed in terms of soil, water and forest resources. The normal rainfall in district 1,036 mm is higher than the state normal rainfall of 940 mm. The district has good sources of surface and ground water irrigation. However, they fluctuate widely. The quality of soil is good. The average holding size is one ha. But there are large inequalities in landholding pattern. These inequalities are one of the reasons for unusually very high fallow lands. Important crops are Paddy, Maize and Sugarcane, indicating good soil and moisture conditions. However, the yield levels are less than that of the state averages. Forest consists of 21% of geographical area and important sources of livelihoods such as Beedi rolling, NTFP collections and processing.
 - 2.1.4. The district has very high concentration of cooperative banks, which are under severe pressure at the moment. Despite the problem with cooperative banks, the credit deposit ratio in the district has increased from 77% in 2003-04 to 90% in 2004-05 indicating booming economy in the district and also a much greater cooperation between District Administration and the Bankers.
 - 2.1.5. Regional variations are quite high in the district. Broadly periphery Mandals, especially those bordering with other states are less developed compare to interior Mandals. Nizamabad and Kamareddy have similar socio-economic conditions and Bodhan, which has a sizable migrated and Marati and Kannada speaking population, has slightly different socio-economic profile.

2.2. Profile of sample members

- 2.2.1. To assess the economic improvement and empowerment of marginal sections, relatively more SC, ST and Minority members were covered in the sample. In total, the composition of social categories is - BC is 38%, OC is 21%, SC is 23%, ST is 11% and Minorities are 8%.
- 2.2.2. In total 56% members are below 35 years. But in Kamareddy about three-fourths members are below 35 years of age.
- 2.2.3. Exactly 70% of total members are either illiterates or neo-literates. Relatively higher percentage 17.5% high school educated members compare to primary educated members of 11.7% indicates higher economic and cultural inequalities. These inequalities are highest in Bodhan.
- 2.2.4. Three-fourths of members belong to nuclear families and remaining are joint families, except two, who are single member families.
- 2.2.5. In total 75% families are male headed families and 25% are female headed families. Male migration to Gulf countries may be one of the reasons for

relatively higher proportion of female headed families in the sample. Another reason could be that the project is covering more vulnerable sections such as female headed families.

2.3. Association with SHGs

- 2.3.1. About 80% members have more than 3 years association with SHGs and 60% has more than five years membership. Among three divisions Kamareddy members have relatively less number of years of association and Nizamabad members have longest association with SHGs. Presences of two NGOs, viz. Gram and Samskar in Nizamabad and Bodhan divisions respectively may be one of the reasons for more number of years of membership in these two divisions.
- 2.3.2. The study covered two-thirds of ordinary members and one-third of leaders including ex-leaders. The proportion of leaders' is relatively high in ST and SC.
- 2.3.3. Out of 120 sample members 15 members discontinued or their groups defunct for some time in the past. Almost all defunct groups became defunct more than three years ago. Major reason for the SHGs being defunct was that the groups availed all the available benefits such as revolving fund and gas connection, and became defunct. In the recent years all such groups were revived under the IKP project.

3. SHG program and changes

3.1. District level changes

- 3.1.1. Though the district has long history in SHG movement, the big boost for the program came from the advent of the IKP project, especially during the last three years.
- 3.1.2. Over the past three years the district administration has been working with a missionary zeal in promotion of SHGs and advancing the program by institutionalizing the informal SHGs into formal organizations in the form of Village Organization and Mandal Samakhya. Total number of SHGs has increased by over 86% and total members by over 66% since April 2004. Overwhelming proportion of groups and members are belonged to backward communities, viz. SC, ST, BC and Minorities.
- 3.1.3. Traditionally the district has very high concentration of DCCB loans in the state. The DCCBs' low and erratic lending proved to be a big challenge to the project. The project overcame the challenge with remarkable success. Four and half times additional cumulative bank loan amount has been facilitated during last three years, i.e. the cumulative bank loan amount has increase from little over Rs.51 cr. in 2003-04 to Rs.272 cr. in 2006-07 in the district. The average loan amount of the district is higher than that of the State in 2006-07.
- 3.1.4. PV is one of the most innovative and effective incentive scheme introduced ever in the sector in the country. It has generated very conducive environment for the prompt repayment of the bank loans. These prompt repayments in turn made the banks to lend liberally to the SHGs.

- 3.1.5. Though the district administration released over Rs.5.4 cr. under PV scheme, during last three years, it appears that the benefit has not reaching all eligible members. E.g. out of total 120 sample members, only 30% reported that they got PV. It may be possible that some of the groups might have got reimbursement of interest under PV, the concern members may not aware of it. But the (point 3.16 of) PV – G.O. clearly says that the amount should not be retained in the group, but should be distributed among the members. One of the reasons could be the inability of field staff to complete the formalities because of their preoccupation with many other activities including the activities other than their core functions/ job chart.
- 3.1.6. The project disbursed over Rs.22 cr. under CIF. The project also extended services to the groups and members in marketing of NTFP and agriculture produces, dairy development, food security, insurance, pensions, vocational training and facilitation of jobs, rehabilitation of differently endowed persons, and so on.
- 3.1.7. The project has initiated 124 procurement centers for agriculture products and NTFP. In total, 27 MS have initiated market interventions. The total value of purchases in the district by different federations has increased from Rs.72.4 lakh in 2004-05 to Rs.18.29 cr. in 2007-08. At the same time the gross profit increased from Rs.14.7 lakh to Rs.30.8 lakh. But, during last three years the gross profit as percentage of gross purchase value is 2% for two years and 4% in one year. If the transaction costs are deducted from the gross profit, the federations might be in the losses. The steep decline of beneficiary families from 23,945 in 2005-06 to 5,512 in 2006-07 indicates teething problems in the intervention.
- 3.1.8. The federations are involved in implementation of schemes like Pensions, APREGS, awareness generation, child labor, etc. Apart from benefiting the participants, the federation are emerging as women's own civil society organizations and becoming as trustworthy and effective partners to different official agencies, corporate sector and civil society organization. In the process VOs are earning good surpluses. But MS are still heavily depended on the project to meet its monthly operational cost, especially the staff cost. As the staff getting their salaries from the projects, they are behaving like representative of the projects and controlling the federations.
- 3.1.9. The district administration also provided institutional building inputs under centrally designed CRP strategy. These inputs resulted in healthy practices of regular meetings, updating of books and members' active participation in group activities.
- 3.1.10. It appears that the projects learnt that the weekly meetings as solution to some of the problems at the group level such (a) meetings (b) attendance, (c) book keeping, and (d) revolving of internal funds. Different studies indicate that the demand for internal loans is significantly less than that of bank loans. Therefore, there may not be enough of demand for weekly saved amount in every week. Instead of solving the above mentioned problems weekly meetings may aggravate them. The deviation between norm and practice in organizing meetings may

increase. Attendance in the meetings may decline. Book updating would become heavy. The bookkeepers are demanding Rs.100 for month under weekly meetings.

3.2. Group level changes in loans

- 3.2.1. Because of the efforts of IKP/DRDA, the sample members got more than two times of loan amount during the last three years compare to that in the past. Even after discounting that few members in the sample have joined newly and teething problems of the project in the past, the loan amount is significantly higher than the past amount. Though the reference period after 2004 is short (only three years) compare to before 2004, more number of sample members got more number of bank loans during last three years compare to the past.
- 3.2.2. During last three years the growth in SHGs, membership, SHGs covered in VOs/ federation is exceptional in twelve sample villages. The growth rate being 70% to 80%.
- 3.2.3. Though at district level the aggregate bank loan amount during the last three years is four and half times higher than that of earlier period, the sample members got, only, little over two times of loan. One of the reasons is that in the sample very few are new members, who have joined the groups during last three years, compare to composition of total members in the district. However, the current period's loan amount is more than four times of that of earlier period in Kamareddy and near four times in Nizamabad. Though the current loan amount in Bodhan is only 20% higher than that of old amount, the size of old loans is quite high compare to other two divisions. Now there is significantly less inter division variations compare to the past.
- 3.2.4. Though the number of internal loans is more than bank loans in both periods, fewer than number of bank loan borrowers have availed internal loans. Perhaps higher interest may be preventing some members from availing internal loans. While inter divisional disparities in internal loans increased, the same among five social categories came down.
- 3.2.5. Number of other loans, predominantly CIF loans, increased by over fourfold and loan amount by over threefold. As bulk of the CIF amount was released during last three years, the increase is obvious. The more interesting feature is that inter divisional variations in CIF loans came down significantly now compare to earlier period.
- 3.2.6. Average thrift rate increased by Rs.10. Highest increase took place in Nizamabad (Rs.13) and OC community (Rs.16) and least increase Rs.5 took place in ST. Most of the groups moved from Rs.30 per month to Rs.50 per month. Apparent reason is shift from monthly meetings to weekly meetings and thrift by many groups. This shift is highest in Kamareddy.
- 3.2.7. There is a practice of SHGs equally distributing savings periodically. SHGs of 24 sample members have distributed savings three years ago and SHGs of 7 members, distributed saving in recent years. The practice of saving distribution in the district is on lower side compare to other districts. The district administration needs to be complemented for bring down the practice further.

- 3.2.8. Recently the project has been providing institutional building inputs rigorously under centrally designed CRP strategy. Under this program, current focus appears to be on shifting groups from monthly meetings to weekly meeting or at least to fortnight meetings. Other inputs such as awareness generation, motivating members, updating books of accounts, etc are working well.
- 3.2.9. Different services from the project are reaching higher proportion of members now compare to three years ago and members' satisfaction levels about different services provided by the project are significantly higher now compare to earlier period. It indicates that the project not only just matured, but also attained dynamism during last three years.
- 3.2.10. As a result of CRP strategy and other inputs and persistence monitoring by project, members' involvement in group functioning has increased significantly.
- 3.2.11. Only 39% members have their own passbook with them. This percentage is highest 53% in Kamareddy and lowest 23% in Bodhan. The pass book analysis clearly shows that groups and members are quite away from perfection. Further, analysis of content in pass books indicates that many important entries such as loan details, interest earned on saving, etc are missing in most of the pass books. Updating is also another serious problem in some groups.
- 3.3. As many official agencies found SHGs and their federations as very useful partners in implementing their own programs, the officials' attitude towards members became more positive. During last few years, there is marginal increase in number members visiting organizations like hospitals, ration shops, veterinary hospitals, Panchayat offices and MRO/ MDO offices, but significantly more members found the officials' attitude as 'more positive. These improvements are little higher in Nizamabad division compare to other two divisions. Its proximity to district headquarters may be one influencing factor.
- 3.4. Overwhelming proportion of members have interactions with villages level workers like animators, IKP field staff and office bearers three years ago and majority of them found the attitude of staff/ office bearers as more positive. These positive features increased significantly during last three years. The positive changes are more prominent in Kamareddy division. Presence of APMAS capacity building team in the division could be one explanatory factor.
- 3.5. One of the disturbing features is that members' interaction levels with federations' office bearers is less compare to field staff. It clearly indicates that the field staff is dominating the program at the expense of office bearers.

4. Changes at family level

- 4.1. SHG-bank linkage made significant difference at family level credit scenario during last three years. SHGs linked **number** of loans became largest proportion in family total number of loans, accounting for 40% of loans in 2006-07. The share of loans from money lenders in total number of loans has decline from 42% in 2003-04 to 30% in 2006-07. The share of loans from relatives and friends and others also increased during last three years reflecting increasing credit worthiness of families/ members.

- 4.2. While the total loan amount increased by over 50% during last three years, the amount from SHGs increased by about 4 times (400%) accounting for highest increased amount in absolute terms. Unlike other sources, SHG loan amount spread more evenly across three revenue divisions and five social categories. Further, marginal sections like ST, Minorities and BC and SC got higher increase in that order.
- 4.3. Though the share of SHG loans in total number of loans reached 40%, they account for only small fraction of family credit need in terms of **amount**. In total SHG loan amount as percentage of family loan amount reached only up to 13.4% from 4.2% during last three years. But for certain communities and divisions the share attained lion's share, especially for marginalized communities. E.g. it is over three-fourths of family loan amount for Minorities in Bodhan.
- 4.4. The average primary income of sample families increased from Rs.19,968 to Rs.24,604 during last three years. But at the same time families' average 'other income' has declined by 4%, from Rs.17,246 to Rs.16,560. On the other hand, members own average primary income has increased by 29%, i.e. from Rs.7,244 to Rs.9,342 during last three years and their 'other income' grew 164% during last three years from Rs.2,670 to Rs.7,047. It indicates emergence of diverse and lucrative livelihood opportunities to women during last three years. The SHG program could take major credit for this positive trend.
- 4.5. In total 63% members/ families invested in asset creation. This is one of the highest recorded in different SHG impact studies. Assets created by families include household articles, livestock, houses, land purchase/ development, etc.
- 4.6. In total Rs.59.8 lakh has been invested in asset creation by sample members/ families. Out of this less than one-fifth was invested before and 2004 and more than 80% has been invested during last three years.
- 4.7. There are wide inter-divisional and inter-social category variations in asset creation. Bodhan accounts for over 63% of total investment in asset creation, Kamareddy accounts for 24.6% and Nizamabad's share is 12%. OC members' share is total invested is over 50% and BC members account for one-third of total investment. ST and SC invested very small proportion of total investment. It may be noted that this asset creation is at family level not limited to SHG loan amount only.
- 4.8. In total asset creation, about 15% worth assets were acquired in the name of members/ respondent/ women. There is no change in this percentage in recent years. However, members/ families started making investment in the name of, or for the use of daughters in recent years.
- 4.9. Three years ago, 19 out of 120 members did not have adequate quantity of food. These come to closer to the planning commission estimate of poverty in the state. During last three years 10 out of total 19 food deficit members moved to adequate category. Out of these four are SC, one each from ST, BC and Minority members.
- 4.10. In 2003-04, eleven families were not distributing food equally among the family members. Out of these 11 families, 7 had adequate food. During last three years

only one, out of 11 unequally distributing families, shifted to equal distribution of food in the family. It shows the importance of non-economic factors in determining women status and intra-family relations.

- 4.11. About 60% members have access to need based medical assistance, but only to RMP. There are significant inter social category variations and moderate inter division variations. Most of the members are not counting on government hospitals. There is no significant change during last three years. This is sad state of affairs. The government should invest much more in medical facilities. The project and SHG movement should involve and innovate in providing medical facilities to the needy.
- 4.12. Relatively fewer ST members are getting the ANM service. It is suggested that apart from increasing number of ANMs, if needed, the timing of ANM visit should be synchronized to the availability women in their houses so that her service could be used effectively.
- 4.13. In total 30% members utilized literacy support three years ago and another 20% members availed it during last three years. SC reaped highest benefit from literacy programs followed by Minorities. Still one-third sample members are illiterates. Further the quality of literacy skills are far from satisfactory. The project/program should invest more resources on this vital task. The project is well advised to take advantage of latest developments in IT sector for spreading literacy, awareness and knowledge, which are essential for women empowerment
- 4.14. Three years ago less than 60% members use to get safe drinking water on regular basis, with wide inter-social category variations. Now 15% more members are getting safe drinking water regularly. Most of the additional members are from weaker sections - ST and SC.
- 4.15. Even now only 50% of members watch news with wide inter-social category variations. The project is advised to ponder over how to utilize the vast network of TV for increasing members' awareness on different vital issues.
- 4.16. Majority of members have family cooperation for SHG activities three years ago. The number has increased significantly during last three years. In Bodhan, the family support is on higher side compare to other two divisions. It appears higher education level of one VO president, who is also an office bearer of the concern MS is one of the contributory factors.

5. Women empowerment

- 5.1. Changes in women empowerment is analyzed with different set of indicators, i.e. awareness; access to resources/ family income; control over own resources such as own income from IGA, SHG loans; role in decision making in the family; mobility and social and political participation.
- 5.2. In most of these indicators, the response of members was measured on five point scale, i.e. (1) doing alone, (2) major role, (3) equal role, (4) minor role and (5) not applicable.

- 5.3. Members have very high level of awareness about important government programs, which are relevant to them. The programs include, Pensions, RF, PV, APREGS, etc. However, three years ago the awareness was quite low regarding then popular programs like 'food for work', CMEY, Adharana, etc. Even after discounting for memory loss, the difference in awareness levels is quite significant. The reasons could be greater reach of the current programs and more publicizing now.
- 5.4. Under access to resources two parameters, viz. sale of small quantity of family produces and rising of hand loans. Relatively few members were selling family produces solely or with major role. But there is moderate increase in these kinds of members. Over 40% members raised hand loans three years ago but there is marginal increase during last three years. It could also imply that the need for such hand loans has declined.
- 5.5. Under 'control on resources', the indicators considered are, use of members' own income, use of SHG loans, personal saving and sale and mortgage of jewelry. About one-fourth to one-third members has total or major control on all these resources. There is small but positive change in degree of members' control over their resources. These changes are relatively high in ST, Minorities and SC.
- 5.6. In decision making the indicators considered are – asset creation, family saving, children's education and marriage, occupational changes and casting of own vote. In all, but casting of own vote, less than 20% members' involvement is either total or major. Increase in members' involvement in family decisions is negligible during last three years. However, in casting own vote, more than half of members do solely or have major role. This has further increased by 8%.
- 5.7. Under mobility, members' visiting style to shops of outside village, banks, hospitals/ PHC, SHG work in outside the village and MRO/ MDO office have been analyzed. In total members' mobility, in terms of 'go alone' has increased significantly during last three years. Male migration to Gulf countries may be one of the reasons.
- 5.8. Under political participation the indicators used are contesting in PRI elections, elected to CBOs, campaigning for candidate in elections and participation in important meetings. In total members involvement is very small in all these and further declined in two indicators during last three years. One of the reasons is that the program is being promoted as 'apolitical' program. Though it is a correct strategy on practical grounds, it might affect the program visioning of women empowerment. It is recommended to review this position continuously.
- 5.9. In total the improvement in different sets of empowerment indicators vary from marginal to moderate during last three years. This is more than reasonable and normal change as it occurred over a very short reference period of three years. Two important influencing factors are (a) SHG program and (b) Gulf migration. As migration to Gulf itself, is being influenced by SHG program and the migration is not uniform across the district, the SHG movement could be considered as major influencing factor.

6. Secondary stakeholders' perception about women empowerment

- 6.1. Changes in perception of number of people, with whom women interact and transact regularly, are analyzed. These include changes in village economy/markets, PRI, money lending, government offices, projects' and federations' staff and office bearers, officials and family members.
- 6.2. In banks SHG became important customers, accounting for 90% of total profits, 38% of total customers, 30% of yearly loans and advances, 17% of total loan outstanding amount. Further SHG lending is growing at very faster pace vis-à-vis other business.
- 6.3. Most of the banks have realized the potential of SHG business and initiated a number measures to increase the business with SHGs. These include, Total Financial Inclusion, increasing loan size, giving priority to SHG transactions, etc.
- 6.4. Banks noticed significant changes in SHG members' attitude. According to bankers, now women's awareness levels have increased and they know their rights. They became bold and confident. Now they are demanding higher loans, asking for reasons for not sanctioning of demanded loan amount, proposing IGA. Women, as per bankers, became prudent in handling money, taking care of personal wellbeing, focusing on children's education, improved their style of living, etc. They are aware of bank procedures, identifying and approaching the people, who can help them and they are showing urge for development and to reduce their dependence on money lenders.
- 6.5. Transport access has increased significantly during last three years. The simple average waiting period has declined from 138 minutes to 32 minutes due to advent of autos. Demand from SHG members is one of the contributory factors for the growth of autos. Members themselves might have provided financial support to their sons or husbands to purchase autos.
- 6.6. Among principle sources of livelihood, Beedi rolling has been growing at faster pace (10%). It reflects increase in economic status of members and families. Though wage employment also recorded higher growth (7%), it primarily because of APREGS.
- 6.7. The number of servicing private schools increased from 22 to 28 during last three years. Even the enrollment in government schools has increased. The number of servicing private clinics increased from 56 to 68. These indicate significant increase in families'/ members' interest and demand for education and health services. SHG linkage might have also some contribution for this change.
- 6.8. The number of grocery shops increased from 55 to 89; hotels from 37 to 48, fancy shops from 4 to 9 and cable connections from 1,950 to 3,290 in sample villages during last three years. These increases, specially, fancy stores, are reflecting growing purchasing power of members.
- 6.9. During last three years, the number of migrants from sample village to other countries (Gulf) has increased from 1,040 to 1,718. This migration should be considered as positive migration as people resort to it by choice. This migration

reflects greater confidence in women to managing all household affairs including financial matters and family occupations such as cultivation. This migration also reflects easy availability of credit, including from SHGs, on reasonable terms and conditions.

- 6.10. According shopkeepers, the proportion women customers increased from 45% to 50% during last three years in sample shops. At the same time percentage of cash sales increased from 60% to 65%, average number of small amount borrowers declined from 18 to 14 and average number of people selling their output in the shops declined from 43 to 21. All these changes reflect increase in cash flow at household/ members level.
- 6.11. According to shopkeepers, women became conscious of quality and are demanding branded products. They are bargaining, asking for promotional schemes, comparing price offers of different shops and so on.
- 6.12. One disturbing trend observed by shopkeepers in sample villages is that consumption of soft drinks and liquor including country liquor has increased significantly. The project is advised to take at least persuasive measures with other departments in the government and community/ men folk to reduce consumption of liquor.
- 6.13. According to Sarpanches, women elected members' participation in Panchayat meetings and discussions increased significantly now compare earlier period. Elected members awareness about the role of Panchayat and their role in Panchayat, financial issues have also increased. Elected members' ability to implement programs, negotiate and interact with others including government officials increased albeit to a small extent.
- 6.14. Women's participation in Grama Sabha and in its discussion is also increased. What is more interesting is that the increase occurred in more number of villages.
- 6.15. Women's demands in Panchayat also changed from basic issues like water supply to items like ISL.
- 6.16. The number of money lenders declined significantly from 450 to 341 during last three years. The number of borrowers from money lenders declined moderately, but the proportion of women borrowers has declined steeply from 42% to 11%.
- 6.17. The number of agriculture labor families has declined from 3,270 to 2,470 during last three years. The wage rates have increased by 50% during three years.
- 6.18. According to CC/ MBK/ VBK, members' awareness has improved the understood importance of repayment of loans. Members are voluntarily taking responsibility of organizing meetings, collection savings and loans dues etc.

7. Action areas

- 7.1. The project has been taking a number of measures to increase the members' awareness, to strengthen their institutions and to promote livelihoods.
- 7.2. However, some of the actions appear to be inadequate, inappropriate and devoid of vision and development logic.

- 7.3. The areas of concern include sliding groups' quality, inadequate and inappropriate awareness, tardy disbursement of PV incentive, project's/ staff's domination over federations, staff's preoccupation with extra-departmental works, defused and ineffective market interventions, etc.
- 7.4. Two sets of suggestions are made to overcome the above limitations. First set relate to internal issues of project, which include flexibility for local initiatives, review of weekly meetings, simplification of group level accounting, freeing of field staff from extra-departmental work load and promotion of federations' autonomy.
- 7.5. To promote federations' autonomy, it is recommended to give importance to education level of member to get elected as office bearer of a federation. Federations may be encouraged to become business facilitators or business correspondents of the Banks.
- 7.6. In the second set of recommendations, the project is advised to work for comprehensive development of agriculture in the district, innovations in health service delivery and persuasion measures to reduce liquor consumption.

CHAPTER-1

INTRODUCTION

1.1. Context of the study

CARE recently issued a white paper on women's empowerment. In that paper it has gathered astonishing facts, from different publications of international organizations like UN, World Bank, etc, about gender discrimination at global level. According to that white paper, *“women work two-thirds of the world's working hours, earn 10% of the world's income and own less than 1% of world's property. Women make up 70% of 1.3 billion people, who live in absolute poverty around the globe and make up two-thirds of 87.6 cr. adults worldwide, who can not read. Girls make up 60% of 7.7 cr. children that not attending the primary school* (CARE, Undated). Such inequalities are more startling in developing countries, like India.

As the constitution of India, directed the Indian State to obtain equity of all the citizens and equal opportunity to every citizen, various laws, development policies, plans and programs, since independence, have been aimed at women's advancement. The emphasis in women's issues has shifted from welfare to development in the fifth Five Year Plan. In recent years, the empowerment of women has been recognized as the central issue in determining the status of women. The National Commission for Women was set up by an Act of Parliament in 1990 to safeguard the rights and legal entitlements of women. The 73rd and 74th Amendments (1993) to the Constitution of India have provided for reservation of seats in the local bodies of Panchayats and Municipalities for women, laying a strong foundation for their participation in decision making at the local levels. At international level, India is committed to secure equal rights to women (Government of India, 2001).

The Government of Andhra Pradesh (GoAP) has been in forefront in women's development and empowerment. In recent years, the GoAP has been consciously taking number of measures for women empowerment. The measures include promoting of self-help groups of women and routing various poverty eradication programs through those groups, giving prominence to women in other community based organizations (CBOs), providing various state doles, aimed at the poor families, in the name of women. Among various anti-poverty and empowerment programs of the state, the IKP is the most popular project totally focusing on development and empowerment women.

1.2. Indira Kranthi Patham (IKP)

IKP is an initiative of the department of rural development. The project focuses is on rural poor families in 864 backward mandals in 22 districts of the State. The IKP project comprises of two projects- Andhra Pradesh District Poverty Initiatives project (APDPIP in 6 districts) and the Andhra Pradesh Rural Poverty Reduction Project (APRPRP in 16 districts) and it is being implemented by Society for Elimination of Rural Poverty (SERP), Hyderabad. Both are externally aided projects, with financial support from World Bank. Andhra Pradesh State government brought all the SHGs in the state under one program called the Indira Kranthi Patham (earlier known as VELLUGU).

The APDPIP covering 180 mandals in 6 districts with an outlay of Rs.593 cr. (revised to Rs.654 cr. in the mid-term review) was launched on 14th June, 2000, and the project duration is from June 2000 to December, 2005. In the year 2003, the scope of the project was increased to cover 9,30,000 rural poor families in 316 mandals of 6 districts. The APRPRP was grounded on 1st June, 2002. This project covers 548 backward mandals in the remaining 16 districts of the State. It also covers 260 coastal fishermen villages in non-project mandals. The outlay for this project is Rs.1,486 cr. and is estimated to cover 20,00,000 families. The project duration is from April 2003 to December 2008. Out of total outlay of Rs.2,140 cr. over 56%, i.e. Rs.1,206 cr. was meant for supporting income generating projects of members, which is known as sub-projects. This money was to be provided as grant to the federations of SHGs in all project districts. The federations were to rotate the amount among their constituent sub-federations, groups and members. In total funds another 21% was meant for elimination of child labor, 12% for strengthening institutions and develop social and human capital, 2% for pilot projects, 3% for supporting the specially endowed persons and 6% for project management, monitoring, evaluation and conducting of special studies.

By middle of 2004 the of progress include (i) coverage of all 864 proposed Mandals under the two projects ; (ii) organization and strengthening of 4,22,306 self help groups in all districts in the state including 28,144 village organizations; (iii) formation of federated organizations, 780 Mandal Samakhyas and eight Zilla (District) Samakhyas (iv) the widespread use of experienced community resource persons for social mobilization and community organization in all districts (v) preparation and sanction of about 50,171 sub-projects (vi) participation of about 47,252 self help groups in the rice credit line for food security with high recovery rates (vii) substantive increase in access to bank finance for self help groups involving Rs.753 cr. (\$166 million) with recovery rates of 97%; (viii) substantive increase in marketing of agricultural commodities and non timber forest produce by community organizations and federations to the extent of Rs.6.42 cr., and (ix) initiation of many new initiatives in social intermediation including setting up of counseling centres for legal and other types of services (Report of the World Bank Project Supervision Mission, 2004).

At end of June 2007, the project is supporting about 6,95,707 SHGs covering about 87,06,969 members. Apart from own saving of Rs.2,856.55 cr. and total corpus of Rs.4,568.39 cr., the group got over Rs.7,121 cr. loans from banks so far. The coverage and amount made available are astonishing. This program made significant gains such as reducing members' dependence on money lenders, imparting an healthy habit of saving among the hardcore poor, bridge the gap between poor and mainstream financial institutions – banks. The program also resulted in increased household expenditure on food, education and health care. Members made significant investments in variety of income generating activities, especially in dairy and asset formation.

The project made a significant contribution for the steep decline of poverty in the state. The poverty in AP has declined from 29.75% in 1983 to 10.85% in 2004-05. During the same time the poverty rate has declined from 44.93% to 28.27% at national level. Unlike the all India tend, in AP the decline in poverty rate between 1983 and 2004-05 is steeper in rural areas (16.46% points) compare to urban areas (12.08% points) (Dev 2007). The steep decline in rural poverty in the state during early years of current decade, during

which the agriculture witnessed unprecedented crisis, is remarkable achievement. For this the SHGs program in general and bank linkage program in particular, which are predominantly rural programs might have contributed. But, evidence about women empowerment, which is another important goal of SHG program/ IKP project, is not clear.

Development literature indicates that mere economic development may not lead to real empowerment. Studies also indicates that even female-targeted development interventions may fail to make the contributions assumed, unless gender equality and women's empowerment are strategically planned as an integral part of program design. E.g. income generation activities may add to the workload of women and leave them with no/ very little time for social and political developments. Further, tiny enterprises like dairy, pickle, Papad and spices making, etc, planned/ promoted in large number under women development programs without proper assessment of market potential may cause losses to women as supply of those products increases compared to the demand for the same and losses could also occur due increase in input prices. Therefore, it is essential to assess whether the envisaged empowerment is taking place or not. If empowerment not taking place as envisaged, corrections have to be made in the projects.

1.3. The present study

In this background, the present study aimed at examining the process of empowerment of SHG women in the state. To start with it was planned to conduct such study in one district. As the PD, IKP, Nizamabad is interested in such a study and came forward to collaborate with the study; the study was conducted in the Nizamabad district.

After the state election in 2004, a paradigm shift took place in the state development policies/ programs. Investments have been increased in rural and agriculture development. Incentives/ subsidies have been provided to the poor and vulnerable sections. State administration is made to be more accountable to the people. The SHG bank linkage got big boost in recent years. Therefore, it was felt that it would be very useful to assess the impact of the paradigm shift, which took place in 2004 on the process of women's empowerment in general and SHG members' in particular.

1.3.1. Objectives of the study

1. To understand the status and process of women empowerment in the district
2. To understand the contributory factors for the observed process
3. Changes in the process of empowerment since the last general elections.

1.3.2. Sampling design

The district has three divisions, viz. Nizamabad, Kamareddy and Bodhan, and 36 mandals. Two mandals from each division were selected in the sample. Out of these two one is advanced and another is backward. For determine the advanced and backward mandals, four indicators were considered, viz. (1) Irrigated area as % of net sown area, (2) number of workers employed in industries as % of total workers, (3) Literacy rate and (4) Number of SHGs. Division-wise ranks were given to all Mandals on these four indicators. Finally, average of these four ranks was taken to determine the order of Mandals in terms development. In each division one developed mandal and one

backward mandal were taken from top two/ three developed Mandals and bottom two/three Mandals so that sample Mandals are spread over evenly across the entire district. Division wise ranks of mandals on select indicators are given at appendix – 1 below.

In each mandal two villages were selected for study. Out of these two, one is closely (4 to 6 KM) situated from mandal headquarter and other is remote (12 to 16 KM) village. Names and type of mandals and villages selected are given at Table – 1.1.

Table – 1.1: Names and type of sample mandals and villages

Division	Mandal	Type of Mandal	Village	Type of Village
Nizamabad	Balkonda	Advanced	Vennela B	Close
			Medora	Remote
	Dharpally	Backward	Dammannapet	Close
			Sirnappally	Remote
Kamareddy	Bhiknur	Advanced	Rameswarpally	Close
			Issannapally	Remote
	Gandhari	Backward	Pothangal Kalan	Close
			Uttunur	Remote
Bodhan	Bodhan	Advanced	Bhavanipet	Close
			Kaldurki	Remote
	Bichkunda	Backward	Gopanpally	Close
			Shanthapur	Remote

In each sample village information was collected from (1) SHG members – 10, (2) VO office bearer – 1, (3) Sarpanch/ Ward member – 1, (4) Shop keeper – 1, (5) Money lender/ big farmer – 1, (6) Village schedule with village secretary/ any knowledgeable person – 1. At each mandal information was collected (7) Bank manager – 1, (8) MS office bearer – 1. At district level information was collected from (9) Lead Bank Manager – 1 and AGM, NABARD – 1, and NGO – 1. In all nine tools/ checklists were used.

1.3.3. Data collection

A six member research team collected the secondary and field data between 14th and 27th June 2007 using interview schedules, check lists. Senior researchers also observed the changes at village, household and individual level using both participatory and non-participatory techniques.

1.3.4. Data analysis

The data was processed using excel and SPSS programs. Descriptive statistics and cross tables were obtained for analysis.

1.3.5. Limitations of the data

The study basically depended on oral answers given by the respondents. In any study the respondents have certain strategic biases. These including highlighting the positive features and suppressing negative facts if the program is on going and under reporting increases in income. Another limitation is that the questionnaire has number of questions about status of different indicators' three years ago. Usually respondents can not reflect on exactly three years ago situation. At times they may recall five years ago situation or

two years ago situation. In data collection and analysis care was taken to minimize the impact of these limitations. Cross checking questions were included in the questionnaire and participatory observation is employed at times.

1.4. Structure of the report

In the chapter 2, profile of Nizamabad district and sample SHG members and their association with SHGs are described. In chapter 3, the status of and trends in SHGs and SHG bank linkages is described. The chapter also looks at changes at member, SHG and program level. Chapter 4 discusses the changes at household level because of changes in SHG program and other government programs and community level changes. The question of SHG members' empowerment as perceived by members themselves is addressed in Chapter 5. In chapter 6 trends in empowerment as perceived by others is described. It also discussed changes in sample members experience in interactions with other officials, IKP staff and federation office bearers and family members. The last chapter contains action points.

CHAPTER – 2

PROFILE OF STUDY DISTRICT & SHG MEMBERS

2.1. Nizamabad, the district¹

The district lies between 18° 5' and 19° 0' of the Northern latitudes and 77° 4' and 78° 37' of the Eastern longitudes. Nizamabad district is bounded on the North by Adilabad district and on the East by Karimnagar district, on the South by Medak district on the West by Nanded district of Maharashtra State and Bidar district of Karnataka State. The geographical area of the district is 7,956 Sq. Km. Out of this forest consist of 21% and about 55% of area has been devoted for agriculture. However, major portion of agriculture area has been left fallow because of different reasons. Over 10% of area is put under non-agriculture use, which is growing (even officially), though, at snail pace. The district was under Nizams of Hyderabad's rule during British period. Under Nizam rule, the issues of land settlement, development and agriculture apparently were neglected and agriculture allied sectors and non-agriculture sectors appeared to be important sources of livelihood to a sizable section of people.

2.1.1. People

Total population in the district is 23 lakh according to 2001 census. The population density in the district (295) is higher than that of the state (277).² It is predominantly a rural district with 82% people living in rural areas. The literacy rate 53.26% in the district is lower than the state rate of 60.47%. There is big variation between literacy rates of male (66.27%) and female (40.57) in the district. As the district was under Nizam rule for quite some time, Muslim population constitute a significant proportion in the total population. SC and ST constitute 14.84% and 7.06% respectively in the total population. Most of SC and almost entire ST population are confined to rural areas. There are four towns, viz. Nizamabad, Kamareddy, Bodhan and Armoor, and 854 villages in the districts. Over 91% villages are small and medium size villages with population of less than 5,000. Out of total 854 villages, 258 have population of between 2,000 and 4,999, another 256 villages have population in the range of 1,000 to 1,999 and another 171 villages have population of 500 to 999.

2.1.2. Soils

Nizamabad is situated on table top of Deccan Plateau. As a result hill ranges are rare but isolated peaks and rocky clusters occur frequently. The district is favorable endowed in terms of soil, water and forest resources. Majority of soils are block soils. Either because

¹ Material for this section is drawn from Nizamabad District Hand Books for 2003-04 and 2004-05. Soft copies of these two books were obtained from the office of District Chief Planning Officer. Some information was also obtained on 1st August 2007 from the official website of the district. However, the information given in different tables, especially tables related to irrigation and cultivation are not in consistence with each other. Therefore information was also obtained from website of the state Directorate of Economics and Statistics for cross checking. All these figures give some indicative picture about district agriculture.

² Higher population density may be the result of in migration. The under developed agriculture potential might had attracted in migration.

of unfavorable topography or people's disinclination, agriculture has not fully developed until recent past. Only 25% to 30% of geographical area is under crops, i.e. out of 800,000 ha of geographical area, the net sown area (NSA) in 2004-05 is 206,000 ha. The NSA was higher in 2001-02 and is widely fluctuating every year. Rainfall is major contributory factor for these fluctuations. The proportion of NSA at 25% in total area is significantly lower than state average of 38%. Recent boom in real estate and increasing employment opportunities in non-farms sector, especially migration to Gulf countries appears to be contributing for the decline in NSA. Even though the district's NSA rate is low compare to state, its proportion of double cropping areas is significantly higher than that of the state.

2.1.3. Water

The normal annual rainfall in the district is 1,036, which is higher than the state normal annual rainfall of 940 mm. The district has two major rivers, viz. Godavari and its tributary Manjira. The district has six major and medium irrigation projects, viz. Nizamsagar, Sriram Sagar, Pocharam, Ramadugu, Nallavagu and Koulasnala, with combined irrigation potential of 118,223 ha. However, actual irrigation provided by all these six projects is a small fraction of the potential and fluctuating widely in recent years. E.g. it varied from 34,850 ha in 2001-02 to 6,277 ha in 2002-03 to 76,689 ha in 2003-04. Fluctuations in rainfall are one of the explanatory factors for the variations in irrigated area. It is surprising to have such fluctuations in major and medium projects. There could be some errors in the reported areas.³ Another possible reason could be geographical hurdles in irrigation flows. Rocky clusters, which occur frequently in the district and undulated topography, might have obstructed irrigation flows. As a result the same area may be getting irrigation more than once every year. The irrigation intensity at 155% to 160% is significantly higher than that of the state's 130%. The principal source of irrigation in the district is bore-wells. There are wide variations in reported area irrigated by the bore-wells. It has declined gradually from over 200,000 ha in 2001-02 to 120,000 ha in 2004-05. Again recent drought conditions appear to be major reason. One can not expect such wide fluctuations in bore-well irrigation in normal conditions. The special features of the district might be the reasons. Tanks are third important sources of irrigation accounting about 18,000 to 19,000 ha. It also experienced wide fluctuations in recent years. The area under tank irrigation decline steeply from over 19,000 ha in 2001-02, to 7,000 ha in 2002-03 and risen to 10,000 ha in 2003-04 and further to 18,550 ha in 2004-05. Open wells and lift irrigation schemes are also providing irrigation to small extent. All these sources together are providing irrigation to more than 250,000 ha in 2001-02, which declined to 150,000 ha in 2004-05. It implies majority of, if not the entire, NSA has irrigation. Like cropping intensity, the irrigation intensity is also on higher side in district. It implies same area is getting irrigation from more than one sources during different seasons.

³ Data regarding agriculture and irrigation provided in different table in the District Handbook are inconsistent. It is advised to prepare the hand book with more care. If there are large inconsistencies, explanatory notes should be provided.

2.1.4. Forest

Forests area in the district is 169,341 ha. It is about 21% of total geographical area. Total revenue from forest in 2004-05 is Rs.65 lakh. Out of this Rs.14 lakh comes from major forest product and remaining Rs.51 lakh comes from non-timber forest produces (NTFP) and miscellaneous sources. Though forest give paltry sum of less than Rs.30 lakh⁴ as actual revenue, NTFPs provides income and employment to significant proportion of population in the district. E.g. about 140,000 people or 14% total workers in the district are employed in house-hold industries. In the household industries Beedi industry is the predominant industry covering majority of households in majority of villages in the district.

2.1.5. Agriculture

The district has over 400,000 operational holdings according to latest agriculture census. The average size of holding is little over one ha. However, there are significant inequalities in land holdings. Over 40% of holdings are sub-marginal of less than half hectare accounting only 10% of land. Another 25.8% of holdings are of the size of 0.5 ha to 1 ha. In total two-thirds of holdings are marginal holdings cultivating less than 30% of area. Another 22.5% of holdings are small holdings with operational area of 1 to 2 ha. In total over 89% holdings are small and marginal holdings accounting 60% of total area and 11% holdings are operating 40% of area. At the top 152 families owns about 13,807, with average size of over 90 ha. These inequalities could be one of the reasons for unusually higher fallow lands in the district. In 2004-05, the total fallow land is 30.8% of geographical area, which is higher than NSA of 25.6%. There are four possible reasons for this unusually very high fallow lands, viz. (1) Unsuitability of lands for cultivation or annual crops, (2) unfavorable climatic condition, which usually result in higher current fallows, (3) people's unwillingness to cultivate or ability to find better livelihood options, and (4) converting lands for non-agricultural uses like construction, industrialization. Perhaps all these factors might be contributing for higher fallows vis-à-vis NSA.

Paddy, Maize and Sugarcane are principle crops accounting for about 30%, 20% and 10% area respectively. The overall cropping pattern indicates good quality soil and plenty of water resources. However, according to the information given in two handbooks, the average yields of almost all crops in the district are less than those of the state during first three years of current century. However, the information in the official website indicates that yield levels of some principle crops, particularly Paddy and Maize have increased by 50 to 100% in 2004-05 and 2005-06 compare to earlier years.

2.1.6. Allied activities

The district is more heavily depended on allied sectors like livestock rearing, forestry and fishing. The district has relatively more number of cattle, buffaloes, sheep and goat compare to its size in the state, but productivity of milk and meat is less than that of state. Similarly the productivity in the Poultry sector also lesser than that of the state. The district is ahead of the state in terms number of people engaged in fishing and its

⁴ Out of total revenue of Rs.65 lakh, the Girijan Cooperative Corporation pays about Rs.37 lakh as royalty for collection of NTFP by the tribal. However, the payment is just book adjustment in government records, no cash payments occur.

productivity. As mentioned elsewhere in the report a significant number of people are employed in household industries, particularly in Beedi rolling, a forest based industry.

2.1.7. Non-farm sector:

The district is poor in minerals and mines. But good quality of stones for building and road construction are available in almost every Mandal. Sugar industry is the principle industry in the district, but it is passing through a difficult phase. Beedi making is an important household industry in the district providing income and employment to over 100,000 people, mostly women.

2.1.8. Banking sector

In 2004-05, the district has 197 bank branches, including 128 public sector bank branches, 27 RRB branches, 31 cooperative bank branches and 11 private sector bank branches. Three bank branches (two public sector and one private sector branches) came up in 2004-05. The credit-deposit ratio has increased from 77% in 2003-04 to 90% in 2004-05. It indicates a booming economy in the district. However, the cooperative sector banks, which are one of major players in the district, are under severe constrains due to poor recovery and capital erosion.

2.1.9. Regional variations

The district has three revenue divisions, viz. Bodhan, Kamareddy and Nizamabad and 36 mandals. There are significant inter Mandal variations. Mostly Mandals, which are on the edge of district boundary, are less developed compare to that of Mandals close to centre of the district. Nizamabad and Kamareddy have similar socio-economic conditions and Bodhan, which has a sizable migrated population and Marata and Kannada speaking population, has slightly different socio-economic profile.

2.2. Profile of sample members

In total detailed information was gathered from 120 SHG members regarding their socio, economic and domestic profile, their association with SHGs, their performance on different empowerment indicators, changes in SHG functioning, etc. To assess the changes (empowerment) of downtrodden sections, relatively more members of ST, SC and Minority members were included in the sample. Their proportion in the sample is expected to be higher than their actual share in SHG membership in the district and their proportionate share in the general population. As data is collected with special focus on downtrodden members, the expected impact could be less than the average impact in the district.

2.2.1. Social distribution of members

Out of 120 sample members BC are dominant with 38% membership followed by SC 23%. ST and Minorities constitute 11% and 8% (Table – 2.1). As mentioned earlier relatively more SC, ST and minorities were included in the sample to know changes in these communities, which was major goal of the project. BC is leading members in all three divisions. However, the second position is occupied by different categories in three divisions. While OC are in second position in Bodhan SC and ST are in second position in Kamareddy and Nizamabad divisions respectively.

Table – 2.1: Division & Social category wise distribution of members in %

Social category	Bodhan	Kamareddy	Nizamabad	Total
BC	38	45	33	38
Min.	10	5	8	8
OC	30	18	15	21
SC	20	28	20	23
ST	3	5	25	11
Grand Total	100	100	100	100

2.2.2. Age

In total 56% members are below 35 year. The same in Kamareddy is 75% and in Bodhan is 47.5% (Table – 2.2). It may be interesting to explore the reasons for higher representation of young women in Kamareddy.

Table – 2.2: Division & age wise distribution of members in %

Range of age	Bodhan	Kamareddy	Nizamabad	Total
Below 25	7.5	5.0	5.0	5.8
26 to 35	40.0	70.0	42.5	50.8
36 to 45	42.5	20.0	37.5	33.3
46 & above	10.0	5.0	15.0	10.0
Grand Total	100.0	100.0	100.0	100.0

2.2.3. Education

Exactly 70% of total members are either illiterates or neo-literates (Table – 2.3). The largest set (40%) of members is neo-literates. It indicates the SHG program's contribution in imparting literacy skills among its members. In this category, Nizamabad leads with 47.5% closely followed by Kamareddy with 45%. The larger proportion of high school educated members vis-à-vis primary educated members in the sample suggests higher economic and cultural inequalities among the members.

Table – 2.3: Division & education level wise distribution of members in %

Educational levels	Bodhan	Kamareddy	Nizamabad	Total
Illiterate	32.5	22.5	35.0	30.0
Neo literate	27.5	45.0	47.5	40.0
Up to 5th	15.0	12.5	7.5	11.7
6th to 10th	25.0	20.0	7.5	17.5
College	-	-	2.5	0.8
Total	100.0	100.0	100.0	100.0

2.2.4. Type of family

Out of 120 members, over three-fourths member have nuclear families or nuclear plus, i.e. one dependent member, and a couple of members have single member families and rest of them have joint family. Though, one would expect higher level of empowerment, especially in terms of mobility, in nuclear and single members family, other compulsions may force them to stay at home or attend other pressing needs than venturing out of the house or village. It may be interesting to see this relationship in empowerment.

2.2.5. Status in the family

As majority of members have nuclear families, majority members are expected to be wife status in the family. In total 72.5% members are wives, 14.5% are mothers and 5% each are mother-in-laws and daughter-in-laws. Two members each are daughters and single members. As mentioned in previous paragraph, that majority members are free from domestic restricts, but are carrying total responsibilities of the family.

2.2.6. Head of the family

In total 75% families are male headed families and 25% are female headed families including a couple of single member families. However, the proportion of female headed families is significantly higher in Nizamabad 30% and Kamareddy 27.5% compare to Bodhan 17.5% (Table – 2.4). In these two divisions sizable number of people (male) is migrating to Gulf countries. In Bodhan no such trend was observed. Gulf migration might have impact on number of female headed households in those two divisions.

Table – 2.4: Division & gender of family wise distribution of members in %

Head of the family	Bodhan	Kamareddy	Nizamabad	Total
Female	17.5	27.5	30.0	25.0
Male	82.5	72.5	70.0	75.0
Total	100.0	100.0	100.0	100.0

2.3. Members association with SHG

2.3.1. Period of Association with SHG

As the study aimed at understanding the changes in empowerment levels and process because of members' association with SHG during last three years, effort was made to include the members, who have more than three years membership in SHG, in the sample. As a result, the sample has members from fairly older groups. In total, about 80% members have more than 3 years association with SHGs and 60% has more than five years membership (Table – 2.5). Among three divisions Kamareddy members have relatively less number of years of association and Nizamabad members have longest association with SHGs. Presences of two NGOs, viz. Gram and Samskar in Nizamabad and Bodhan divisions respectively may be the reason for more number of years of membership in these two divisions.

Table – 2.5: Division & length of SHG membership wise distribution of members in %

Period of association	Bodhan	Kamareddy	Nizamabad	Total
Below 3 years	15.0	25.0	22.5	20.8
3 to 5 years	22.5	27.5	10.0	20.0
5 to 8 year	37.5	35.0	35.0	35.8
8 years & above	25.0	12.5	32.5	23.3
Total	100.0	100.0	100.0	100.0

2.3.2. Motivation for joining SHG

About 50% members have joined in SHG on their own or voluntarily. About one-third have joined on advice of others. In total, 17.5% members took SHG membership on advice family members. This percentage is lowest - 10% in Bodhan and highest - 27.5% in Nizamabad (Table – 2.6). It suggests that members in Bodhan are relatively more independent of their families and Nizamabad members are relatively more dependent on their families or get higher cooperation from their family members. Though the SHG program in India was often accused of targets driven program, only one of total 120 members said that she joined in SHG on compulsion. It indicates relevance of the program for the members.

Table – 2.6: Division and criteria for joining SHG wise distribution of members in %

Criteria for joining SHG	Bodhan	Kamareddy	Nizamabad	Total
Voluntarily	52.5	52.5	42.5	49.2
On family advise	10.0	15.0	27.5	17.5
On other's advice	35.0	32.5	30.0	32.5
On compulsion	2.5	-	-	0.8
Total	100.0	100.0	100.0	100.0

2.3.3. Status in SHG

One-third leaders and two-thirds ordinary members constitute the sample (Table – 2.7). However, the ratio of members and leaders is not equal in all social categories. In ST as high as 53.8% members are leaders and in BC only 19.6% are leaders. These variations are result of positive discrimination shown in favor of SC and ST in selection of sample members in general and leaders in particular.

Table – 2.7: Social category & status in SHG wise distribution of members in %

status in the group	BC	Min.	OC	SC	ST	Total
Ex-leader	4.3	-	4.0	7.4	-	4.2
Leader	19.6	22.2	32.0	37.0	53.8	30.0
Member	76.1	77.8	64.0	55.6	46.2	65.8
Total	100.0	100.0	100.0	100.0	100.0	100.0

2.3.4. Discontinuation of SHG membership

Out of 120 sample members, 15 members discontinued their membership for different lengths of time. Most of the (13) member discontinued between one to two years. One member discontinued for 6 months and another member discontinued for 8 years and two members were away from SHG for three years. The reasons, given by 3 or 4 members each, for discontinuation include - default of the group, quarrels among members, perception of no use of group, inability to save or utilize and repay loans, leaders' death/illness, etc. Other reasons, given by one member each, are migration, distribution of revolving fund, ignorance, etc. In most of the cases defunct of group appear to be the reason for members discontinuity.

All these 15 members rejoined in groups. Out of 15 discontinued members, 12 members rejoined their own group. In fact they have revived their respective groups. In revival of the groups the IKP staff played an important role. Some of the IKP staff demanded return

of revolving fund, gas cylinders, etc, from some defunct groups. Because of such demands, some of the groups resumed their operations. Other groups resumed their groups by seeing the benefits other groups are obtaining. Other reasons cited by members for rejoining groups are to save (one member), to avail bank linkage (4 members), sorted out the old problems (one member), and so on.

2.3.5. Membership in other CBOs

Out of 120 members, 13 members are members in other CBOs including PRIs. Out of these 13 members, 5 each are from Bodhan and Kamareddy and 3 are from Nizamabad divisions. Out 13, seven are from SC, four are from BC and one each from OC and ST. It is an encouraging development that as many as 8 out of 13 members, who have membership in other CBOs, are from SC and ST communities.

2.4. Conclusions

To sum up, though the district is favorably endowed in terms of soil and moisture, agriculture was neglected by the government and people. Agriculture-allied and non-farm sectors are important sources of livelihoods to the people. Inequalities between men and women appear to be on higher side. Though there is problem with cooperative banks, credit-deposit ratio increased significantly during last couple of years indicating booming economy. Members' education levels suggest higher ignorance levels and high economic and cultural inequalities among members. Many defunct groups got revived because of IKP's field staff efforts. The sample has unusually higher proportion of female headed families. Gulf migration may be the main reason. Other possible reasons could be cultural factors like bigamy and project's sharp focus on covering of vulnerable households.

CHAPTER – 3: INDIRA KRANTHI PATHAM- CHANGES IN SHGs

3.1. SHG sector in the district

The district has long history of SHG promotion. In the earlier years apart from DRDA, NGOs like Gram and Samskar have promoted SHGs. The IKP has given a big boost to SHG promotion. It has promoted, apart from large number of SHG, federated them systematically at village, mandal and district level. Today in the district, apart from one ZS, there are 36 MSs (33 are registered under MACS), 1,020 VOs (926 are registered under MACS) and 35,049 SHGs. Out of total SHGs, 33,937 are women groups and 1,112 are differently endowed persons (DAP) groups. The total saving of these groups is Rs.23.49 cr. and total corpus is Rs.45.97 cr.

3.1.1. Progress in SHG promotion

During last three years, the district administration has been implementing the program with missionary zeal. As a result the growth rate in various indicators related` to SHG program has surpassed that of the state. Between 2003-04 and 2006-07, the progress in number of groups promoted and number of members covered increased by more than 50% in the district compare to less than 50% at state level (Table – 3.1). During this period the district passed through a particular problem. The district has unusually very high concentration of DCCB linkage in the state. The district share in total DCCB loans in the state is over 40%. It is well know fact that DCCBs give small size loans. The average size of cumulative loans from DCCBs in 2006-07 is Rs.57,141 compare to Rs.104,166 from all kinds of banks. Further, the lending from DCCBs, in recent years,

Table – 3.1: Progress of SHGs in Nizamabad – cumulative figures *Amount in Rs. million*⁵

Year	Total groups	Total members	Saving	Corpus
2000-01	13,728	171,600	70.64	176.20
2001-02#	13,990	174,744	70.71	195.45
2002-03	14,490	181,125	147.50	290.70
2003-04	18,839	235,462	154.84	300.24
2004-05	20,497	256,213	168.61	323.52
2005-06	25,112	299,246	179.86	370.54
2006-07	26,269	310,203	196.42	387.31
31-Jul-07*	35,049	391,402	234.90	459.70

Source: Office of PD, IKP, Nizamabad

As on February 2002; * including DAP groups, members, their saving and corpus

has declined steeply due to erosion of their capital. The district administration had formidable challenge of shifting SHG accounts from defunct/ under performing DCCBs to other bank branches. After overcoming this challenge, the project appears to be focusing on promoting more and more number of new groups. The progress in promotion

⁵ In all the tables, numbers are punctuated as per international system. According the figures are give in billions, millions, thousands and numbers. One billion is equal to 100 cr., and one million is equal to 10 lakh

of new groups during first four months of current financial year is phenomenon. The district is poised to be the first district in the state to cover all willing white card holders in the program.

3.1.2. Focus on weaker sections

Apart from overall growth, the program in Nizamabad is also focusing on vulnerable sections such SC, ST, BC and minorities. In total about 90% members are belong to ST, SC, BC and Minorities. The project also promoted 1,112 groups with 7,208 members of differently endowed persons. Over 58% out of 64% of social category-wise homogeneous groups, is of weaker section groups, i.e. of ST, SC, BC and Minorities (Table – 3.2).

Table – 3.2: Social composition of groups and members

Category	Number		Percentage	
	Groups	Members	Groups	Members
SC	3,758	74,353	10.7	19.0
ST	1,835	31,306	5.2	8.0
BC	13,613	222,880	38.8	56.9
Min.	1,251	22,525	3.6	5.8
OC	1,953	40,338	5.6	10.3
Mixed	12,639	Included above	36.1	
Total	35,049	391,402	100.0	100.0
- Women groups	33,937	384,194	96.8	98.2
- Disabled groups	1,112	7,208	3.2	1.8

Source: PD office, IKP, Nizamabad

3.1.3. Bank linkage

As mentioned above that Nizamabad has high concentration of cooperative bank loans. The cooperative banks, apart from providing relatively smaller loans, apparently are causing wide fluctuations in bank linkage program from year to year. The number of bank linkages in the district as percentage of total linkages in the state has declined over 7% during 2001-02 to 2.2% in 2003-04 and reached 4% in 2006-07.

Table – 3.3: Progress in SHG bank linkage program in Nizamabad and AP

Year	Nizamabad			Andhra Pradesh		
	No. of SHGs	Amount	Average	No. of SHGs	Amount	Average
2000-01	2,538	48	19,070	90,000	1,430	15,889
2001-02	6,400	113	17,562	90,000	1,970	21,889
2002-03	5,778	162	28,055	100,000	4,530	45,300
2003-04	4,983	181	36,332	230,000	7,520	32,696
2004-05	6,511	306	46,957	280,000	12,000	42,857
2005-06	10,763	507	47,102	294,341	15,994	54,339
2006-07	14,472	1,401	96,819	359,276	27,755	77,251

Source: Nizamabad data, PD office, IKP, Nizamabad and state data for 2000-01 to 2004-05, State IKP office and for 2005-06 to 2006-07 NABARD

Similarly the total bank loan amount in the district as percentage of total loan amount in the state has declined from 5.4% in 2001-02 to 2.4% in 2003-04 and rose to 5% in 2006-

07. The average loan size in the district is higher than that of state during 3 out of last four years. The cumulative loan amount Rs.2.21 billion during last three years, i.e. between 2004-05 and 2006-07, is more than four times of the cumulative amount Rs.51.31 cr. until March 2004 (Table – 3.3). In 2006-07 alone, the project facilitated financial inclusion program for 401 SHGs in 29 villages. These 401 groups got credit at rate of about Rs.300,000 per SHGs. The district administration needs to be complemented for attaining a big jump in bank linkage program in the district. The achievements are laudable as they did in spite of presence of large number of problem ride DCCBs.

3.1.4. Pavala Vaddi

PV is one of the most innovative and effective incentive scheme introduced in the sector in the country. A note on PV is given at box – 1.

Box – 1: Pavala Vaddi: bank loans to SHGs @ 3% rate of interest

To reduce the financial burden on SHG, to encourage groups to repay bank loans promptly and to help banks to achieve 100% recovery under SHG-Bank Linkage Program, the Government of Andhra Pradesh introduced this scheme widely known as Pavala Vaddi in mid 2004. Under this, the Government would bear the interest burden of groups over and above 3% per annum. All groups that have availed loans from banks under SHG-Bank Linkage Programme after 1st July 2004 are eligible for interest subsidy. The groups should repay the loans as per the schedule negotiated with the banks. In case any group is in default of interest/ principal for more than three months, it becomes ineligible under the scheme. To avail this subsidy, groups simple will have to regularly repay loan installments including interest to the bank. They need not required to obtain and submit any applications or certificates. Government will make arrangements to remit the subsidy amount directly in the savings bank account of all eligible groups or reimbursed the subsidy amount to groups through cheques. Banks need just to furnish the list of all eligible groups and the amount details to the DRDA/ IKP personal. Though total financial outlays are limited so far under PV, the scheme proved to be most effective in getting prompt repayment from the groups. It appears that the bankers also realized the potential of the scheme in getting prompt repayment and they are started lending to SHGs liberally. All state governments and the central government are advised to implement similar scheme in place of their existing incentive schemes for SHGs/ poor. It may be worth noting, that the AP government appears to be replaced erstwhile revolving fund scheme with this PV scheme.

Table – 3.4 : Progress of Pavala Vaddi scheme in Nizamabad amount *in Rs.1000*

Year	SHGs	Members	Amount
2004-05	4,519	31,633	3,540
2005-06	7,452	68,558	15,210
2006-07	16,955	139,031	35,272
Total	28,926	239,222	54,022

Source: PD office, IKP, Nizamabad

The progress in implementation of PV is given at Table – 3.4 below. During last three years, total of Rs.5.4 cr. has been reimbursed under PV scheme. The amount grew at steep pace from Rs.35.4 lakh in 2004-05 to Rs.3.53 cr. in 2006-07. The coverage of groups and members also grew at fast pace.

3.1.5. CIF

The project has released Rs.22.02 cr. at the rate Rs.76.5 lakh per Mandal to 27 project mandals under community investment fund (CIF). The fund has four components viz. IGA, social infrastructure, purchase of land, and rehabilitation of differently endowed persons. Among these, IGA is by far most important component accounting 85% of funds. It is totally targeted at poor and weaker sections. Out of total 45,704 beneficiary families, SC is 31.77%, ST is 12.58%, BC is 48.31%, Minorities are 2.19% and others are 4.72%. In total beneficiary families, poorest of poor are 27.33% and poor are 72.67%.

3.1.6. Other components of the project

Apart from the financial services, the project also involved in marketing of NTFP and agriculture products, dairy development, food security, insurance, pensions, vocational training and employment promotion, rehabilitation of differently endowed persons, etc.

3.1.6.1. **Marketing:** The project has initiated 124 procurement centers for agriculture products and NTFP. In total, 27 MS have initiated market interventions. The NTFPs covered include Mohwa flower, Mohwa seed, Neem fruit, Pongamia seed, Gum Karayar, Marking nuts, Vavilaku, Lac, Gum Thiruman, Tippateega, Jatropha, etc. The agriculture products procured are Red gram, Soyabean, Maize, Turmeric and Paddy. The MSs are also procuring fertilizers from the market and supply to their members. The review of marketing data and field experiences suggest that the marketing need more attention from higher officials.

Table – 3.4a: Details of marketing interventions during last few years *in Rs.1,000*

Year	Value of purchases	Gross profit	Profit rate in %	Families benefited
2004-05	7,237	1,470	20	12,424
2005-06	149,833	2,640	2	23,945
2006-07	48,476	2,021	4	5,512
2007-08#	182,913	3,075	2	5,529

Source: PD office, IKP, Nizamabad; # Up to July 2007

The total value of purchases in the district by different federations has increased from Rs.72.4 lakh in 2004-05 to Rs.18.29 cr. in 2007-08. At the same time the gross profit increased from Rs.14.7 lakh to Rs.30.8 lakh (Table – 3.4a). It is not clear that whether the MS/ VO were successful in providing remunerative prices to their members, they might have incurred net losses during last three years. The gross profit as percentage of gross purchase value is 2% for two years and 4% in one year. If the transaction costs are deducted from the gross profit, the federations might be in the losses. Apart from this aggregate trend, one VO (Sernapally village) reported loss of about Rs.20,000 in the

marketing of Mohwa flower. The fertilizer intervention at Rameswarpally, Bhiknur Mandal indicates potential misappropriation of funds.⁶

3.1.6.2. Distribution of pensions: The program/ federations have been involving in implementation of pensions. As a result of federations' involvement, the distribution got stream lined and the beneficiaries are happy as they are getting the money promptly.

3.1.6.3. Involvement in implementation of APREGS and other programs: The federations are also getting involved in implementation of APREGS. However, their involvement appears to be limited to provision of basic amenities like shaded area to rest and drinking water, etc. For providing these amenities, each VO was provided with about Rs.8,000. The federations are also getting involved in programs like watershed. A few VOs said their office bearers have been trained in watershed programs in recent months. They are expecting to implement the program. Some honorarium is also expected for implementing of the program.

3.1.6.4. Involvement in social issues: The federations also involved in issuing like child labor, awareness of legal rights, HIV/ AIDS, pulse polio, health awareness, family planning and so on.

3.1.6.4. Strengthening of federations: Because of involvement in different village and community development activities, the federations got good recognition and goodwill in the villages, with official agencies, civil society organizations. They have emerged as trusted partners for number of official agencies, corporate sector and civil society organizations in implementing/ delivering their services and products. In the process VOs are getting some remuneration. On average each VO is earning net surplus of about Rs10,000 to Rs.20,000 per year from different charges, market interventions, etc. But the office bearers of some VOs appear not owning their organizations and surpluses. In other words, they feel they got the service fee and other revenue because of the project, not due to their investments and efforts. It appears that some of VOs are carrying market interventions mechanically at the behest of the project/ staff.

On the other hand, MS revenue falls short of their operational cost. As a result they are heavily depended up on the project to meet its operational cost, especially the staff cost. As staff is getting their salaries from the project, the pretend to be as the project staff not as MS staff. As a result they have say over the office bearers.

3.1.7. Strengthening of systems

To overcome the recently observed slide in the quality of SHGs in terms of meetings, updating of books, etc, the IKP initiated CRP strategy about a year ago on wide scale. It is a community to community cross learning through experiential learning method. Under this program, SHG members are motivated and provided with skills in group management through community resources persons. Under this scheme resource persons are selected from SHGs only, who have long experience and achieved success. The

⁶ In Rameswarpally, the VO supplied the fertilizers to the farmers at Rs.20 higher than the purchased price. As the farmers felt that they were supplied fertilizers at higher price, the Village Development Committee (VDC) enquired into the issue and found, according to the VDC Secretary, that the VO office bearers pocketed some money at the rate of Rs.10 per bag. The Office Bearers were forced to reimburse the money to the farmers. It appears the project stopped marketing of fertilizers.

district administration is also implementing the CRP strategies and all other necessary measure to strengthen the systems in the groups and their federations.

3.1.8. Regional spread

Division wise progress of SHG program is given at Table – 3.5 below. Nizamabad leads with 42.8% total groups and 43.1% total members. Nizamabad division's share in number of bank linkages and loan amount in 2006-07 is even higher at 45.5% and 47.4% respectively. The average loan size in 2006-07 is highest – Rs.98,730 in Nizamabad and least – Rs.91,999. in Bodhan. Nizamabad got even higher share in implementation of PV scheme in the district. The division got 50.9% of total Rs.5.4 cr. disbursed in the district under the PV scheme. In total Bodhan division marginally lags other two divisions in terms bank linkage and implementation of PV and Kamareddy is in the middle and close to district averages.

Table – 3.5: Division wise progress of SHG program

Indicator	Bodhan	Kamareddy	Nizamabad	Total
No. of mandals	12	10	14	36
Total groups	10,470	8,946	14,521	33,937
Total members	117,301	101,179	165,714	384,194
Bank linkage in 2006-07				
Total groups	4,257	3,627	6,588	14,472
Amount in Rs. million	3,976	3,395	6,640	14,012
Average in Rs.	91,999	94,686	98,730	95,363
Pavala Vaddi between 2004 and 2007				
Groups benefited	9,407	8,934	16,252	34,593
Amount in millions	13	13	28	54
Share of three divisions in the total in %				
Total groups	30.9	26.4	42.8	100.0
Total members	30.5	26.3	43.1	100.0
Bank linkage groups	29.4	25.1	45.5	100.0
Bank linkage amount	28.4	24.2	47.4	100.0
Bank linkage average	96.5	99.3	103.5	100.0
PV - groups benefited	27.2	25.8	47.0	100.0
PV - amount disbursed	24.9	24.2	50.9	100.0

3.2. Group level changes in loans

The previous section discussed major change in SHG program at district level. It has noted that district administration put in commendable effort in increasing bank linkages, loan amount, promoting new groups and strengthening systems. In this section, how the central initiatives have translated into reality.

3.2.1. Growth in SHGs and federation

The research team gathered number of SHGs, the number of members, their coverage in federations, etc, three years ago and now from 12 sample villages. The information is tabulated at Table – 3.6. The number of groups grew from 232 in 2003-04 to 445 in 2006-07. At the same time the number of groups got associated with VOs has increased

from 200 to 337. The SHG membership has increased by about 90% during last three years. At the movement total SHGs members are two times of total BPL families and over two-thirds of total families in the 12 sample villages.

Indicator	Unit	2003-04	2006-07
No SHG in the sample villages	No.	232	445
No SHGs covered in VOs	No.	200	337
No of defunct SHGs	No.	32	17
No of SHG revived	No.	17	9
No. of members covered	No.	2,906	5,560
Total BPL families	No.	2,490	2,689

3.2.2. Bank linkage

Before 2004, maximum number of banks loan obtained by a member is 4. The same after 2004 is 3. One can not expect to have more than 3 bank loans during last three years, but only 4 loans in the past, where reference period was 7 or 8 years reflect under performance or teething problems of the program. Out of 120 sample members 70 got bank loans before 2004 and that number increased to 96 now. It may be kept in mind that about 20% sample members joined SHG during last three years and they can not have bank loans before 2004. All the sample members together got 108 loans three years ago and another 120 loans during last three years. The total loan amount increased from Rs.464,150 before 2004 to Rs.1,042,200 after 2004. At the same time the average loan amount per member has increased from Rs.3,868 to Rs.8,685. There are wide variation in bank linkages among the regions, social groups and banks. Inter-regional variation can be seen at Table – 3.7. Among three revenue divisions, Kamareddy members have more than four times increase in their loan volume and Nizamabad members too have near fourfold increase but their loan size is quite low before 2004 and their current average loan size is even less than that of Bodhan members' before 2004. Though the Bodhan members have very high average and total loan before 2004, they had moderate increase in their loan volume during last three years. Relative higher proportion of Bodhan members had bank loans before 2004 and has moderate increase since then. Kamareddy members have highest increase in number of borrowers and number of loans.

Table – 3.7: Division-wise details of bank lineage before and after March 2004

Indicator	Period	Bodhan	Kamareddy	Nizamabad	Total
No. of members availed loans	Before 2004	28	20	22	70
	After 2004	34	34	28	96
No. loans availed	Before 2004	43	29	36	108
	After 2004	40	45	35	120
Total loan amount	Before 2004	296,300	97,800	70,050	464,150
	After 2004	360,800	424,050	257,350	1,042,200
Average loan per member	Before 2004	7,408	2,445	1,751	3,868
	After 2004	9,020	10,601	6,434	8,685

Among five social categories, ST had highest increase in their loan volume, followed by BC and SC. However, the average size of ST's loan is substantially lower than those other categories. OC have highest average loan in both periods (Table – 3.8).

Social category	% of members having loan		Average loan size in Rs.	
	Before	after	Before	after
BC	63	78	3,403	10,540
Min.	33	89	4,000	7,661
OC	64	84	6,576	10,632
SC	56	85	3,552	6,233
ST	54	62	869	4,177
Total	58	80	3,868	8,685

At district level the loan volume has increased fourfold from Rs.51 cr. before 2004 to Rs.221 cr. after 2004. But the sample members have increase of just over two times in their loan volumes. Primary reason for this observed less increase is large expansion of the program. During last three years the new membership has increased by 66% in the district and 90% in 12 sample villages, but in the sample only 20% members are new members. As the sample consists predominantly of older members, it can not truly reflect total increase in loan volume in the district. Another reason is that two out of 12 sample villages, viz. Dammannapeta of Dharpally mandal and Rameswarpally of Bhiknur mandal are being serviced by DCCBs. Members in these two villages are facing severe problem of under financing.

3.2.3. Internal loans

Before 2004, maximum number of internal loans availed by a member is 12 and during last three years the same is six. Both these records occurred in Kamareddy. In total before 2004, 63 members availed 179 internal loans. The total amount was Rs.398,800 and the average loan per member (120 members) was Rs.3,323. During last three years 89 members took 153 internal loans. Total amount of internal loans is Rs.405,500 and the average is Rs.3,379 (Table – 3.9). At divisional level, there was not much variation before 2004. Inter divisional variations became wide during last three years. Kamareddy leads with 33 out of total 40 members having internal loans during last three years. Bodhan follows closely with 31 members. Though total number of internal loans is less in recent years compare to earlier period, Bodhan has more loans now compare to three years ago. Kamareddy has highest number of internal loans in both periods. The number of internal loans sharply declined in Nizamabad. The loan amount increased in Bodhan and Nizamabad and declined in Kamareddy. Changes in monthly thrift rates explain a part of inter divisional variations in internal loans that occurred in recent years. The project facilitation also might have contributed for increasing internal loan culture in Kamareddy and Bodhan.

It is interesting to know that though the number of total internal loans is more than bank loans, fewer members availed internal loans compare to bank loan borrowers. However the gap is narrowed in Bodhan, remained small in Kamareddy and slightly widened in Nizamabad. Because of higher interest rate on internal loans some members may be

refraining from availing internal loans. Such trends were also observed elsewhere in the state. While inter divisional disparities in internal loans is increased, the same among five social categories came down. Now SC leads with over 81.5% members having internal loans followed by OC (80%).

Table – 3.9: Division-wise details of internal loans before and after March 2004

Indicator	Period	Bodhan	Kamareddy	Nizamabad	Total
No. members availed loans	Before	21	21	21	63
	After	31	33	25	89
No. loans availed	Before	48	69	62	179
	After	51	65	37	153
Total loan amount	Before	131,000	133,600	134,200	398,800
	After	154,800	109,200	141,500	405,500
Average loan per member	Before	3,275	3,340	3,355	3,323
	After	3,870	2,730	3,538	3,379

3.2.4. Other loans including CIF

In total 9 members got 9 loans from VO/ MS three years ago. Out of these 9, Kamareddy share is 7. During last three years, 38 members got 46 loans with little variation among three regions. Total loan amount has increased from Rs.81,600 to Rs.276,680. The inter-divisional variations have even out now (Table – 3.10). The average loan size appear to be increased by three times, the average loan per borrower (not member) has declined significantly. Now relatively more number of members have VO/ MS loans albeit small size loans. As about 95% of IGA related CIF was released during last three years the observed increase in number of loans and amount appears to be less (This point would be discussed further in action areas chapter).

Table – 3.10: Division-wise details of other loans (CIF)

Indicator	Period	Bodhan	Kamareddy	Nizamabad	Total
No. members availed loans	Before	1	7	1	9
	After	12	13	13	38
No. loans availed	Before	1	7	1	9
	After	12	17	17	46
Total loan amount	Before	40,000	32,600	9,000	81,600
	After	88,180	85,600	102,900	276,680
Average loan per member	Before	1,000	815	225	680
	After	2,205	2,140	2,573	2,306

3.2.5. Saving

The average saving per month was Rs.35 three years ago. It has increased by Rs.10. Among three divisions, the increase is highest Rs.13 in Nizamabad and least Rs.8 in Bodhan. Among social categories, the increase is high Rs.16 in OC and Rs.14 in Minorities and low Rs.5 in ST and Rs.8 in SC (Table – 3.11). It appears that the saving remain as obligatory saving, not grown as saving service to members. To provide saving services to members, the groups/ project should introduce: (a) flexible saving products, (b) proper safeguards, and (c) yearly dividend or interest payment.

Table – 3.11: Average saving per month three years ago and change Rs.

Division	BC	Min.	OC	SC	ST	Total
Bodhan	39	35	38	31	30	37
Kamareddy	34	25	43	35	30	35
Nizamabad	34	27	25	38	36	33
Total	36	30	36	35	35	35
Change during last three years in Rs.						
Bodhan	3	13	10	11	0	8
Kamareddy	11	15	13	5	20	11
Nizamabad	15	17	30	9	2	13
Total	10	14	16	8	5	10

Three years ago 60% members use to save Rs.30 per month and another 29% members use to save Rs.50, 8% were not in SHG three years ago and 3% used to save Rs.100 per month. Now majority (56%) members are saving Rs.50, another 8% are saving Rs.40 and yet another 4% members started saving Rs.60 per month. Shift to weekly meeting is major reason for increase in thrift rate. Members, apart from, saving at the rate Rs.10 per week are also saving in federations at the rate Rs.10 per month. During last three years the percentage of members saving Rs.30 has declined 60% to 28%. However, majority 54% of ST members are still saving Rs.30 only. During the same period, though total number of members saving Rs.100 remained at 3%, their number declined by 2% points in Kamareddy and increased by 5% points in Nizamabad division (Table – 3.12).

Table – 3.12: Distribution of members as per thrift rate in %

Thrift rate in Rs.	Bodhan	Kamareddy	Nizamabad	Total
Three years ago				
0	3	8	15	8
30	60	68	53	60
50	38	20	30	29
100	-	5	3	3
Total	100	100	100	100
Now				
20	-	3	-	1
30	33	15	38	28
40	5	18	-	8
50	50	63	55	56
60	13	-	-	4
100	-	3	8	3
Total	100	100	100	100

3.2.6. Distribution of saving

Out of 120 sample members, groups of 24 members have returned savings to the members in the past. Now the groups of seven members distributed saving. In the past Nizamabad and Kamareddy were leading divisions in saving distribution, but now Bodhan and Nizamabad are leading divisions in distribution of saving (Table – 3.13). Among social category SC and BC have highest number of saving distribution members. The project not only reduced the saving distributing practice to 7%, perhaps, achieved

lowest percentage in the state. Recently APMAS conducted a bank linkage study in 8 districts of AP. According to that study on average 47% groups return the saving to their members. The percentage varies from 15 in Kurnool to 75% in Vizianagaram (APMAS, 2007).

Table – 3.13: Number of members got saving distribution in number

Division	BC	Min.	OC	SC	ST	Total
Three years ago						
Bodhan	3	0	0	1	0	4
Kamareddy	2	0	2	4	1	9
Nizamabad	5	0	0	4	2	11
Total	10	0	2	9	3	24
In recent years						
Bodhan	2	1				3
Kamareddy				1		1
Nizamabad	1			2		3
Total	3	1		3		7

3.3. Changes in systems

As mentioned above, recently the project started providing awareness and system inputs rigorously. Currently the focus is on five principles – (i) weekly meetings, (ii) all transactions in the meeting – regular savings, internal lending and prompt repayment, (iii) updating of books, (iv) formation and observation of norms, and (v) food security. These efforts are expected to have positive impact on the functioning of groups and individual members’ involvement in group activities. These issues are examined in this section.

3.3.1. Meetings

As weekly meetings are being advocated with missionary zeal in recent months, majority 55% of groups have shifted to weekly or fortnightly meetings. However, majority of ST and SC groups are following monthly meetings only (Table – 3.14). It indicates that weekly meetings may not be suitable to members, who have to go to wage employment or work in their own fields (see also Box – 2). It appears that weekly meeting is ill advised measure. There is a strong element of imposition from the top.

In light of this evidence the project is advised to ponder over the issue of weekly meetings. At least the project should assess the implication of weekly meetings before pressing for universal adoption.

Table – 3.14: Social category-wise frequency of meetings

frequency	Social category						
	ST	SC	BC	Min	OC	Total	%
Weekly	2	11	19	3	12	47	39.2
Monthly	8	15	19	3	9	54	45.0
Fortnight	3	1	8	3	4	19	15.8
Total	13	27	46	9	25	120	100.0

Box – 2: Weekly meeting

To reverse the slide in the quality of the groups in terms of organizing of meetings, attendance, bookkeeping, and rotation of internal funds and to strengthen members' awareness, etc, the project has started encouraging the groups to switch over to weekly meetings. Groups are encouraged short duration meetings every week in place long duration one meeting in a month. In the present schemes, members are asked to save @ Rs.10 per week and the amount was supposed to lend to the needy member. But there may not be enough demand for hundred and odd rupees loan every week. It is worth to note that APMAS's recent SBL recurring study indicated that only about 50% members took loans from internal sources, while all members availed bank loans (APMAS, 2007). Invariably, the money would be left either with leader/ facilitator or get deposited in the bank. If it is left with somebody, it may get misused and if it gets deposited in the bank it adds to cost of group functioning. The cost could be financial and/ or time. For book keeping in weekly meeting, the book keepers are demanding Rs.100 per month against current rate of Rs.30 per month. Instead of solving the above mentioned problems weekly meetings may aggravate them. The deviation between norm and practice in organizing meetings may increase. Attendance in the meetings may decline. Book updating may become more complex. It is advised that the project should focus on bank linkage, promotion of IGA, rotation of CIF, (minimum) book keeping, etc., rather than on weekly meetings. Groups may not be able to focus on non-financial issues in short duration meetings.

Though majority members did not speak against weekly meetings in the interaction with present research team members for obvious reasons⁷, a few members did aired their reservations about weekly meetings. The reasons include – family work get affected (20 members said), additional work pressure (12), difficult to save every week (14), book keeping (3), less attendance (4), family will not allow (1) etc. In fact one member dropped from SHG because of weekly meetings in Padmajiwadi village of Sadasiva Nagar, where the tools were tested.

Though only 39% groups in total shifted to weekly meeting, but in Kamareddy as many 73% members moved to weekly meetings and another 13% groups moved to fortnight meetings (Table – 3.15). At the same time none of groups in Nizamabad division shifted to weekly meeting. It appears that there is some overlap in division wise and social category wise trends. It may be recalled that overwhelming majority of SC and ST sample are from Nizamabad division.

Table – 3.15: Division wise frequency of meetings

periodicity	Name of the division			Total (%)
	Nizamabad	Kamareddy	Bhodan	
Weekly		73	45	39
Monthly	83	15	38	45
Fortnight	18	13	18	16
total	100	100	100	100

⁷ The respondent might have thought that the research team is a part of the project and they might have restrained from speaking against weekly meeting, which is being imposed by the project.

It appears that recent quality enhancement campaign has some positive impact on the frequency of meetings. Out of 120 sample members, 76 (63.3%) said that the number of their groups meetings have increased. This percentage is higher than the number of groups conducting weekly and fortnightly meetings. It clearly indicates that frequency of meetings has increased significantly in recent months. It is interesting to note that such increase occurred in most of SC, ST and Minority groups.

Among three revenue divisions, Kamareddy leads with 93% members reporting increase in number of meetings, followed by Bodhan 60% and Nizamabad 38%. In total two percent members reported decrease in number of meetings and rest said no change. All two percent members, who reported decreasing in meetings are belonged to Bodhan and Nizamabad divisions only.

3.3.2. Collection of saving and loan installments

It is well known fact that groups/ members are generally prompt in financial transactions such as payment of loan installments and savings, etc and there is little scope for improvement. In total 72% reported no change in number of days required to collect savings and 25% members reported decline in number of days required to collect saving amount every month. Among three divisions, 30% members of Nizamabad and 28% of Kamareddy reported decline in number of days required for collection of saving. In collection of loan installments, 82 members reported no change and 15% members reported improvement, i.e. lesser number of days required for collection. Among three divisions, 18% each from Kamareddy and Bodhan reported decline in number of days required for collection of loan installment.

3.3.3. Members' involvement in group functioning

Little over 50% members use to get involved three years ago in vital tasks like decision making and collection of saving/ loan installments in their group. About 50% members use to involve in organizing meetings and little over a third in updating of books.

Table – 3.16: Members involvement in group functioning in %

Indicator	ST	SC	BC	Min	OC	Total
Organizing meetings	38.5	55.6	56.5	11.1	48.0	49.2
Collection of saving/ loan	46.2	59.3	65.2	11.1	40.0	52.5
Updating of books	38.5	44.4	39.1	11.1	36.0	37.5
Decision making	53.8	66.7	60.9	22.2	52.0	56.7
Total	100.0	100.0	100.0	100.0	100.0	100.0
Change during last three years in %						
Organizing meetings	23.1	22.2	19.6	44.4	32.0	25.0
Collection of saving/ loan	0.0	14.8	13.0	33.3	36.0	18.3
Updating of books	15.4	18.5	19.6	11.1	28.0	20.0
Decision making	23.1	29.6	19.6	66.7	32.0	28.3

Involvement of SC and BC members was highest in group functions. Members involvement in group functioning has increased significantly during last three years. E.g. as many as 28.3% additional members started involvement in decision making, 25% more members started involving themselves in organizing group meetings. Members'

involvement has increased 20% in books updating and 18.3% in collection of saving and loan installments. The increase in members' involvement in group functions is highest in Minorities, followed by OC, ST, SC and BC. However, currently involvement of SC members' is highest among five social categories (Table – 3.16).

3.3.4. Dominance of leader

Out of 120 sample members, 25% reported that leaders' domination has declined in their groups during last three years. Among three revenue divisions, relatively higher percentage (33%) members in Kamareddy experienced decline of leaders' domination and least (18%) members in Bodhan have such experience. Among five social categories relatively higher percentage of ST and SC members experienced decline in leaders' dominance in their groups during last three years.

3.3.5. Members passbook

The above description clearly show that quality of group functioning measured in terms of regularity of meetings, members involvement in group functioning, democratization of group functioning and promptness in saving and loan collection, has increased significantly. Further, the analysis indicates Kamareddy division leads other two divisions by significant margin in the improvement. However, the analysis was purely based on members' oral responses. As mentioned elsewhere in the text that members could answer with some strategic bias. To overcome this potential problem, a special question was asked the members, whether they have their individual passbook with them. If the passbook was with them, the research team members took a quick glance at it.

Passbook with	Nizamabad	Kamareddy	Bhodan	Total
Member	23	53	43	39
Leader	35	43	48	42
CA	38	5	8	17
Don't Know	5		3	3
Total	100	100	100	100

Out 120 sample members, only 47 or 39% have passbooks with them. Again Kamareddy leads with 53% members having passbook with them followed by Bodhan (43%). In total 42% members said that their passbook was with their leaders and 17% have their passbook with CA. The more disturbing feature is that 3% members do not know where they have passbook or not or they do not know what is individual passbook? These members are confined to Nizamabad and Bodhan. In Nizamabad, most (38%) of passbooks are with CA (Table – 3.17). None of ST members have their passbooks with them.

The passbook analysis clearly shows that groups and members are quite away from perfection. Further, analysis of content in passbooks indicates that many important entries such as loan details, interest earned on saving, etc are missing in most of the passbooks. Up dating is also another series problem in some groups.⁸ The project is advised, instead

⁸ It was noted elsewhere in the state that some of the members do not know their cumulative saving amounts.

of focusing on proving more of the same services/ inputs, to look at alternatives. In other words, the project may consider simplifying the accounting practice at SHG level.

3.4. Members’ opinion on various services provided the project

Members were asked about the services they received from the project three years ago and during last three year. They were also asked whether the services were useful or not and whether they incurred any loss due to that service. The services included in the questionnaire are: bank linkage, services from federations MS/ VOs including marketing, training in SHG concepts, exposure visits. The members, whoever got bank loans said that bank linkage is useful. However, one person in the past and two persons in recent years incurred losses because of bank linkages. They might be reporting the transaction cost of unsuccessful efforts in getting bank loans. Very few members have gone exposure visits in the past and in recent period. However, sizable number of members has experience in VO/ MS services, trainings, etc.

3.4.1. Services from federations VOs/ MSs and ZS

Federations are providing services like awareness generation, service of resources persons, marketing, livelihoods, insurances, facilitation to access government programs, etc.

Table – 3.18: Utility of various services-VO/MS Services in %

Opinion		Name of the division			Total
		Nizamabad	Kamareddy	Bhodan	
Before	Not applicable	55	60	70	62
	Useful	20	30	13	21
	Not useful	25	10	15	17
	Incurring loss			3	1
	Total	100	100	100	100
Now	Not applicable	35	20	25	27
	Useful	43	78	48	56
	Not useful	20	3	25	16
	Incurring loss	3		3	2
	Total	100	100	100	100

In this section members accessing levels of these services and satisfaction levels are assessed. Three years back, 62% members did not receive any service from their federations. Now that percentage has declined to 27% (Table – 3.18). It reflects increased coverage of the project activities. Apart from increased coverage, members’ satisfaction level has also increased. Kamareddy is way ahead of other two divisions in terms providing useful services to large section of members. One person, in the past, and two persons, in present, incurred losses due to VO/ MS activities. Probably they are related to marketing interventions. One VO of Sernepalli village of Dharpally report that it incurred Rs18,000 loss in Mouvva flower (NTFP) trade.

3.4.2. Livelihood promotion services

Though most of the services are provided through VOs/ MSs, some of the services are analyzed separately because of their importance. In the past only 24% members have availed livelihood promotion services such as information or financial and/ or technical support to start or operate micro enterprise. In that 24% members availed livelihood services three years ago. In this, majority (13%) said that the service was not useful. In recent years 33% members got livelihood services from the project and majority (23% points) of them found the service useful. In Nizamabad and Kamareddy about 40% members got livelihood services and three-fourths of them found the services useful (Table – 3.19).

Table – 3.19: Utility of Various Services-Promotion of Livelihoods

Opinion		Name of the division			Total (%)
		Nizamabad	Kamareddy	Bhodan	
Before	Not applicable	75	73	80	76
	Useful	10	13	10	11
	Not useful	15	15	10	13
	Total	100	100	100	100
Now	Not applicable	60	63	78	67
	Useful	33	28	10	23
	Not useful	8	10	10	9
	Incurring loss			3	1
	Total	100	100	100	100

3.4.3. Training in SHG concepts

Though the program is about decade old and AP has been marching way ahead of other states in this program, present awareness level of members and overall functioning of groups warrant a massive training program in SHG concepts. Three years ago only 26% members got training in SHG concepts. But only two-thirds of them found the training useful. In recent years 61% sample members got training. The more heartening feature is that almost all the trainees found the training useful. In Kamareddy, highest (78%) percentage of members got training and every one reported it useful (Table – 3.20).

Table – 3.20: Utility of various services-trainings on SHGs

Opinion		Name of the division			Total (%)
		Nizamabad	Kamareddy	Bhodan	
Before	Not applicable	75	70	78	74
	Useful	20	15	20	18
	Not useful	5	15	3	8
	Total	100	100	100	100
Now	Not applicable	58	23	38	39
	Useful	35	78	60	58
	Not useful	8		3	3
	Total	100	100	100	100

3.4.4. Exposure visits

In total 6% members gone on exposure visits three years ago. Out of these two-thirds felt that the visits were not useful. In Kamareddy 10% of members gone exposure visits in the past and all of them found that the experience was not useful. In contract 5% members of Nizamabad had exposure visits three years ago and all of them found the experience as useful. In recent years, in total 7% have gone on exposure visits and almost all of them feel that the visits were useful. Highest number of members (13%) of Nizamabad has gone on exposure in recent years and all of them found the experience as useful (Table – 3.21). Perhaps the members’ proximity to Nizamabad town, the district headquarters, may be reason for the relatively higher percentage members getting exposure visits.

Opinion		Name of the division			Total (%)
		Nizamabad	Kamareddy	Bhodan	
Before	Not applicable	95	90	98	94
	Useful	5			2
	Not useful		10	3	4
	Total	100	100	100	100
Now	Not applicable	88	93	98	93
	Useful	13	5		6
	Not useful		3	3	2
	Total	100	100	100	100

3.5. Attitudinal changes in government offices

Recently the government made the official machinery more responsive to the people, especially to the SHG members. Some of the official agencies found SHGs and their federations as very useful partners in implementing ff their own programs. As a result of these changes, the official attitude toward SHG members became more positive. In the section the members experience in some of the offices such MRO/ MDO offices, Panchayat offices, government hospitals and banks have been analyzed. If the member visited any of these offices, then they were asked to describe officers’ attitude in three point scale – more positive, reasonable and non-cooperative.

3.5.1. Panchayat offices

Three years ago, 58% members did not visit Panchayat office. That proportion came down to 49% during last three years. In the past 18% members found the attitude of Sarpanch or Village Secretary as more positive. Now as many as 35% members found them more positive. The proportion of members reported ‘non-cooperative has decline from 10% to 5% during last three years. Highest positive change in Panchayat offices is observed in Nizamabad and least positive change is noticed in Kamareddy (Table – 3.22).

Table – 3.22: Institutional change -Panchayat Office in %

Attitude		Name of the division			Total (%)
		Nizamabad	Kamareddy	Bhodan	
Before	Not visited	58	53	63	58
	More positive	13	23	20	18
	Reasonable	28	5	10	14
	Not-cooperative	3	20	8	10
	Total	100	100	100	100
Now	Not visited	43	53	53	49
	More positive	35	38	33	35
	Reasonable	20	5	8	11
	Not-cooperative	3	5	8	5
	Total	100	100	100	100

3.5.2. PDS store/ Ration shop

In total 27% members did not visited ration shop three years ago and still 25% did not visit. However, the number of members, reporting their ration shops experience, as ‘more positive’ increased from 36% to 50%. Highest increase in ‘more positive’ category occurred in Kamareddy and least in Bodhan (Table – 3.23).

Table – 3.23: Institutional change -PDS Stores/Ration Shop in %

Attitude		Name of the division			Total (%)
		Nizamabad	Kamareddy	Bhodan	
Before	Not visited	23	23	35	27
	More positive	25	38	45	36
	Reasonable	45	30	18	31
	Not-cooperative	8	10	3	7
	total	100	100	100	100
Now	Not visited	20	20	35	25
	More positive	38	63	50	50
	Reasonable	40	15	10	22
	Not-cooperative	3	3	5	3
	Total	100	100	100	100

3.5.3. Medical services

Three years ago, 28% sample members did not visited government hospitals. Still almost same number (27%) members did not visit the hospitals. However, the number of members, who found the attitude of doctors and other staff as ‘more positive’ has increased from 31% to 47% during last three years. The same has increased from 28% to 55% in Kamareddy, from 43% to 48% in Bodhan and from 23% to 38% in Nizamabad. Still non-cooperation is an issue for 12% members in total and in all divisions (Table – 3.24).

Table – 3.24: Institutional-Medical Services

Attitude		Name of the division			Total (%)
		Nizamabad	Kamareddy	Bhodan	
Before	Not visited	35	23	25	28
	More positive	23	28	43	31
	Reasonable	33	23	23	26
	Not-cooperative	10	28	10	16
	Total	100	100	100	100
Now	Not visited	30	25	25	27
	More positive	38	55	48	47
	Reasonable	23	5	18	15
	Not-cooperative	10	15	10	12
	Total	100	100	100	100

3.5.4. Veterinary hospitals

More than two-thirds of sample members did not visit veterinary hospitals three years ago and still now 65% members did not go to there. The number of members, who felt the attitude is 'more positive' increased from 14% to 25%. The same increased from 8% to 20% in Kamareddy, from 13% to 28% in Nizamabad and from 23% to 28% in Bodhan.

3.5.5. MRO/ MDO offices

Over two-thirds members did not visit MRO/ MDO office three years ago and that proportion remain same even now. However more members (from 9% to 23%) found the official attitude as 'more positive' during last three years. Though 'non-cooperative' attitude totally vanished in Nizamabad from 8% and in Kamareddy from 10%, it has increased from 3% to 5% during last three years (Table – 3.25).

Table – 3.25: Institutional change -MDO/MRO Offices

Attitude		Name of the division			Total (%)
		Nizamabad	Kamareddy	Bhodan	
Before	Not visited	70	68	63	67
	More positive	10	10	8	9
	Reasonable	13	13	28	18
	Not-cooperative	8	10	3	7
	Total	100	100	100	100
Now	Not visited	70	65	60	65
	More positive	23	25	20	23
	Reasonable	8	10	15	11
	Not-cooperative			5	2
	Total	100	100	100	100

3.5.6. Banks

Three years back 62% members visited banks and more than 50% of them found the officials' attitude as 'more positive. During last three years 16% more members started going to bank. Now in total 50% members found the bank staff attitude as 'more positive'. However, non-cooperation is an issue of concern for 11% in the past and 8% now. Non-cooperation is an issue for 15% members in Bodhan and only 3% members in Kamareddy (Table – 3.26).

To sum up, as many official agencies found SHGs and their federations as very useful partners in implementing their own programs, the officials' attitude towards members became more positive. During last few years, there is marginal increase in number members visiting organizations like hospitals, ration shops, veterinary hospitals, Panchayat offices and MRO/ MDO offices, but significantly more members found the officials' attitude as 'more positive. These improvements are little higher in Nizamabad division compare to other two divisions. Its proximity to district headquarters may be one influencing factor.

Attitude		Name of the division			Total (%)
		Nizamabad	Kamareddy	Bhodan	
Before	Not visited	45	35	33	38
	More positive	25	38	38	33
	Reasonable	18	15	23	18
	Not-cooperative	13	13	8	11
	Total	100	100	100	100
Now	Not visited	30	15	20	22
	More positive	48	58	45	50
	Reasonable	18	25	20	21
	Not-cooperative	5	3	15	8
	Total	100	100	100	100

3.6. Attitude changes IKP field staff and federations' office bearers

One of the important changes expected because of efforts of the district project administration is attitudinal changes in the field staff and professionals and office bearers of VOs and MS. This section examines these changes.

3.6.1. Changes in village level workers/ professionals

In total 20% members did not interacted with village level SHG promotional/ facilitating workers. As about 20% members joined in SHGs during last three years, about 20% are not expected to have interaction with the village level workers. Today in total 2% members did not interaction village level professionals. Majority of sample members (52%) found the attitude of village workers as 'more positive' three years ago. The same increased further to 68% now. The village workers attitude has been reasonable for 23% members in the past and for 28% members now. Highest percentage of members in

Attitude		Name of the division			Total (%)
		Nizamabad	Kamareddy	Bhodan	
Before	Not visited	20	20	20	20
	More positive	40	60	55	52
	Reasonable	33	15	23	23
	Not-cooperative	8	5	3	5
	Total	100	100	100	100
Now	Not visited	5			2
	More positive	65	75	63	68
	Reasonable	28	23	33	28
	Not-cooperative	3	3	5	3
	Total	100	100	100	100

Kamareddy found the attitude of village workers as ‘more positive in the past (60%) and now (75%)’. However, highest increase in this category is noticed in Nizamabad, the increase has been from 40% to 65% (Table – 3.27).

3.6.2. Attitudinal change in IKP field staff

Normally the members interact with the two IKP field staff, viz. -Community Coordinator (CC) and Master Book Keeper (MBK). Three years ago 30% members did not interacted with the field staff. It declined to 16% now. In past 44% members found

Attitude		Name of the division			Total (%)
		Nizamabad	Kamareddy	Bhodan	
Before	Not visited	38	23	30	30
	More positive	28	53	53	44
	Reasonable	25	25	18	23
	Not-cooperative	10			3
	Total	100	100	100	100
Now	Not visited	30	8	10	16
	More positive	43	73	58	58
	Reasonable	25	20	33	26
	Not-cooperative	3			1
	Total	100	100	100	100

the attitude of field staff as ‘more positive, which increased to 58% now. Highest number of members in Kamareddy both in the past (53%) and now (73%) found the attitude of field as ‘more positive’. Though only 28% members in Nizamabad found the staff attitude as ‘more positive’ in past, such members increased significantly by 15% points during last three years. On the hand, though highest number (53%) found the attitude of field staff ‘more positive in the past, it increased moderately to 58%, i.e. by 5% points during last three years. The number of members, who found the staff attitude ‘reasonable’ has increased marginally (3% points) at district level. But there significant inter-

divisional variations, ranging from decline of 5% points in Kamareddy to increase of 15% points. In Bodhan. Not-cooperative was not a issue either in the past or now in Bodhan and Kamareddy. It was an issue in Nizamabad for 10% members in the past and for 3% now (Table – 3.28).

3.6.3. Attitudinal change of MS and VO office bearers

Three years ago 37% members either not visited the federation office or not interacted with the office bearers. The same has declined to 25%. The number of members, who found the attitude of office bearers as ‘more positive’ has increased from 44% to 53% during last three years. It is highest in Kamareddy in past (53%) and now (63%) and least in Nizamabad in both periods, i.e. 33% in the past and 45% now. It remain around the same level in Bodhan varying from 48% to 50% during last three years. The number member, who found the office bearers attitude as ‘reasonable’ varied marginally in the district and every division during last three years. Not cooperative has been an issue in Nizamabad for 10% members in the past and 15% members now (Table – 3.29). This is one of the disturbing trends. The more disturbing feature is that members’ interaction levels with federations’ office bearers is less compare to field staff. It clearly indicates that field staff is dominating the program at the expense of office bearers.

Attitude		Name of the division			Total (%)
		Nizamabad	Kamareddy	Bhodan	
Before	Not visited	33	30	48	37
	More positive	33	53	48	44
	Reasonable	25	15	5	15
	Not-cooperative	10	3		4
	Total	100	100	100	100
Now	Not visited	18	18	40	25
	More positive	45	63	50	53
	Reasonable	23	20	8	17
	Not-cooperative	15		3	6
	Total	100	100	100	100

To sum up, overwhelming proportion of members have interactions with villages level workers like animators, IKP field staff and office bearers three years ago and majority of them found the attitude of staff/ office bearers as more positive. These positive features increased significantly during last three years. The positive changes are more prominent in Kamareddy division. Presence of APMAS capacity building team in the division could be one explanatory factor.

3.7. Conclusions

The IKP worked with missionary zeal during last three years. The district is poised to be the first district covering all willing white ration card holders in SHG program. The district not only overcame the problem of DCCBs, but marched ahead of the state averages in terms of bank linkages and average loan size, etc. The quality of groups has increased because of rigorous efforts of the project. However, the project’s overemphasis

on weekly meetings appears to be inappropriate. Kamareddy division leads other two divisions in terms bank linkage, internal loans and improvement in quality of SHG functioning, delivery of different services and members' satisfaction levels on different services. Perhaps, presence of APMAS capacity building team in Kamareddy cluster may be one of the reasons.⁹ The sample members themselves felt the positive changes in government offices, banks, hospitals, IKP staff, federation office bearers and family members. Majority of members found the attitude of IKP staff more positive three years ago. Now, even significantly higher proportion of members found their behavior more positive. One disturbing trend is that less percentage of members is interacting with federation office bearers vis-à-vis IKP field staff. It reflects domination of staff over office bearers and program.

⁹ APMAS team has been involved in project implementation for last two and half years in six Mandals of Kamareddy division. The Mandals are Sadashivanagar, Machareddy, Tadwai, Kamareddy, Bhiknur and Domakonda.

CHAPTER – 4

CHANGES AT FAMILY LEVEL

The previous chapter indicates that the IKP worked with missionary zeal during last three years, expanded the program coverage and is about to cover almost all willing white ration card holders in the program, overcame challenges such as sluggish bank linkages and provided quality services to larger proportion of members. As a result members got larger loans and their overall awareness levels have increased. Apart from these, the project is also implementing food security scheme in almost all villages in the district. This program is expected to have positive impact on household level food security.

Apart from IKP, the state government has launched a number of pro-poor and pro-farmer programs in recent years. These include stepping up investment in irrigation and water development projects, free power to agriculture pump sets and domestic use to poor, which reduces the cost of cultivation and household expenditure, streamlining of pension distribution and increasing number and type pensions to poor, Indiramma housing for poor, implementation APREGS, etc to name a few. The project administration is actively involved in some of these activities and took full advantage of these schemes. E.g. the MS/ VOs are involved in distribution of pensions. The district got total of Rs.32,000 houses under Indiramma. Out of these, as many as 29,647 was sanctioned to SHG members. In total SHG members at that point of time, 92.65% got houses. Remaining members are either not eligible or not interested in housing. The project also facilitated bridge loans from the banks to meet the beneficiary's share in house cost through SHGs. All these activities are expected to have significant positive impact at members' household level. As changes at household level are essential for women empowerment, the changes that occur during last three years are analyzed in this chapter.

It is presumed that increase in women's share or contribution in total household credit, income and asset creation is expected to have positive impact on women's empowerment. In this chapter changes during last three years in SHG members' contribution in their families' credit, income and asset creation is analyzed. It is well known fact that when a family is short of food, it rations it among the members and invariably women get lesser share compare to other members of the family. If the family is not sharing the food equally, it is presumed that women are not getting adequate food. Changes in women's access for food, drinking water, health care, etc, during last three years are also analyzed.

4.1. Changes in household credit scenario

Major changes are expected in family credit sources because members' association with SHGs. This issue is analyzed with family credit sources and amounts in two different years, i.e. 2003-04 and 2006-07. The credit sources considered are (a) bank loans other than SHG, (b) money lenders, (c) relatives and friends, (d) SHG/ VO/ MS, and (e) others, which were found to be travel agents and farmers. In 2003-04, all the families of sample members together have 120 loans worth Rs.41.7lakh. The average loan per family was Rs.32,752.

4.1.1. Number of loans

In 2003-04, the sample families together have 120 loans from different sources. Among these ‘money lenders’ provided highest number of loans 42% followed by SHGs (28%) and banks other than SHGs (24%). Relatives and others provided 5% and 2% loans respectively. The sample families have 205 loans in 2006-07. Number of SHGs became major source of credit in terms of number of loans with the share of 40% of total loans. Increase in number of loans suggests not only higher credit amount from SHGs but also availability of credit in times of need albeit small quantities. Most important positive trend is that money lenders’ share in number of loans has declined from 42% to 30% between 2003-04 and 2006-07. The share of relatives and friend and others increased by 2% points each (Table – 4.1). These increases reflect increasing credit worthiness of members/ families. SHG linkage could be considered as one of the contributory factor for increasing credit worthiness. One of the disturbing trend is that share of bank loans other than SHGs has declined from 24% to 18%. However, the absolute number of loans from this source has increased between two reference years.

Among three revenue divisions, highest increase in SHGs’ share in total loans occurred in Bodhan compare to other two divisions. As mentioned elsewhere in the text that presence of DCCB operated one village each in Kamareddy and Nizamabad divisions in total sample villages could be the reason for relatively slow growth of loans from SHGs in these two divisions vis-à-vis Bodhan.

Table – 4.1: Composition of loans from different sources in %

Source	Bodhan	Kamareddy	Nizamabad	Total
In 2003-04				
Bank loans other than SHG	26	28	18	24
Money lenders	32	40	54	42
Relatives and friends	8	-	8	5
SHG/ VO/ MS	34	28	21	28
Others	-	5	-	2
Total in %	100	100	100	100
Total in number	38	43	39	120
In 2006-07				
Bank loan other than SHG	17	20	17	18
Money lenders	20	29	41	30
Relatives and friends	3	6	11	7
SHG/ VO/ MS	58	39	27	40
Others	2	6	5	4
Total in %	100	100	100	100
Total in number	59	80	66	205

4.1.2. Division wise loan amount

The total loan amount has increased by 53.4% from Rs.41.7 lakh to Rs.64.2 lakh during last three years. Nizamabad and Kamareddy have relatively higher increase in total loan amount compare to Bodhan. However, growth rate in different sources is significantly different from each other and inter division variations are even higher. The total amount

from other sources has increased by 452.4%, followed by SHGs (390.7%) and relatives and friends (376.7%) during last three years. The bank loan amount has doubled and loan amount from money lenders has increased by 2% only. Among different sources of loans SHG loans grew at very high rate in all three regions by 524.2%, 321.6% and 281% in Kamareddy, Bodhan and Nizamabad respectively. In all other sources, inter divisional variations have increased significantly during last three years. E.g. loan amount from relatives and friends has increased by 11 times or 1,102.5% in Nizamabad and declined by 90.8% in Bodhan. Similarly the loan amount from banks other than SHG, increased by 203.5% in Bodhan and mere 25.4% in Nizamabad (Table – 4.2). This trend is yet again proving that SHG loans not only growing at faster pace but also covering every part of the district evenly compare to other sources.

Table – 4.2: Source & division wise loan amount in Rs. and rate of growth in %

Source of loan	Bodhan	Kamareddy	Nizamabad	Total
In 2003-04				
Bank loan other than SHG	241,000	268,000	122,000	631,000
Money lenders	625,000	1,191,000	1,341,000	3,157,000
Relatives and friends	125,000		40,000	165,000
SHG/ VO/ MS	73,700	66,000	35,500	175,200
Others		42,000		42,000
Total	1,064,700	1,567,000	1,538,500	4,170,200
In 2006-07				
Bank loan other than SHG	731,500	435,500	153,000	1,320,000
Money lenders	350,000	1,256,000	1,613,000	3,219,000
Relatives and friends	11,500	294,000	481,000	786,500
SHG/ VO/ MS	310,700	411,950	135,250	857,900
Others	110,000	62,000	60,000	232,000
Total	1,513,700	2,459,450	2,442,250	6,415,400
Rate of growth of loan amount in %				
Bank loan other than SHG	203.5	62.5	25.4	109.2
Money lenders	- 44.0	5.5	20.3	2.0
Relatives and friends	- 90.8		1,102.5	376.7
SHG/ VO/ MS	321.6	524.2	281.0	389.7
Others		47.6		452.4
Total	42.2	57.0	58.7	53.8

4.1.3. Social category wise loan amount

In 2003-04, the sample families have total loan amount of Rs.41.7lakh. Among social categories, BC have highest amount Rs.1.89, followed by OC – Rs.977,000, Minorities, SC and ST. In 2006-07, total loan amount is Rs.64.2 lakh, more than 53.8% higher than that of 2003-04. Among social categories, OC and ST have almost two times increase in their loan amount followed by BC, SC and Minorities in that order of increase. Between 2003-04 and 2006-07, though the total loan amount from money lenders has increased only by 2%, there are marked variations among five social categories. Loan amount from money lenders increased by 33.3% in Minorities and 28.3% in OC and declined by 20.7% in SC and 9.8% in BS. There is marginal increase of 3% in ST. The loan amount

from SHGs grew by almost 4 times, i.e. 389.7% and all social categories have very high increase. ST got highest increase of 693.3% (7 times), followed by Minorities 496.8% (5 times), BC (386.2%), BC (383.3%) and OC (351.1%), (Table – 4.3).

Table – 4.3: Source & Social category wise loan amount in Rs. and growth rate in %						
Indicator	BC	Min.	OC	SC	ST	Total
In 2003-04						
Bank loan other than SHG	137,500	70,000	380,000	33,500	10,000	631,000
Money lenders	1,615,000	430,000	530,000	382,000	200,000	3,157,000
Relatives and friends		100,000	25,000	20,000	20,000	165,000
SHG/ VO/ MS	100,000	11,000	42,000	19,200	3,000	175,200
Others	40,000			2,000		42,000
Total	1,892,500	611,000	977,000	456,700	233,000	4,170,200
Rate of growth in loan amount between 2003-04 & 2006-07 in %						
Bank loan other than SHG	110.9	-65.7	133.9	129.9	300.0	109.2
Money lenders	-9.8	33.3	28.3	-20.7	3.0	2.0
Relatives and friends		-80.0	100.0	150.0	525.0	376.7
SHG/ VO/ MS	386.2	496.8	351.1	383.3	693.3	389.7
Others	40.0			700.0		452.4
Total	49.6	11.7	96.4	18.0	90.9	53.8

4.1.4. Share of SHG loans in total family loans

The above description suggests that SHGs loans have in general increased at faster pace vis-à-vis other sources both among five social categories and across three revenue divisions. A quick look at exact share of SHGs loan in total family loans and changes in during last three years is expected to yield interesting insights. Social category and division wise share of SHG loans in total family loans is presented at Table – 4.4). At aggregate level the share of SHG loan amount in total family loan amount has increased from 4.2% in 2003-04 to 13.4% in 2006-07. The increase is highest for SC from 4.2% to 17.7% followed by BC – 5.5% to 17.2%. Though the share of SHG loan amount in total loan amount remain low 5.4% in 2006-07 for ST, this community experience relatively fastest rate of increase. While SHG loan amount constitute of one-fifth of total loan amount in Bodhan, it remains abysmally low at 5.5% in Nizamabad. However, highest growth in this ratio took place Kamareddy. At disaggregate level, the SHG loan amount became substantial part in family loan amount, especially for SC, ST, BC and Minorities. E.g. in Bodhan, Minority families got over three-fourths of loan from SHGs in 2006-07. In the same division, SC and BC got 47.6% and 40.4% of their total loans from SHGs. Similarly ST in Kamareddy got 28.6% of their total loan amount from SHGs. However, the condition in Nizamabad is a matter of concern. The members at Dammanpeta village of Dharpally I in Nizamabad division, with about decade long membership in SHGs hardly got one or two loans. Though macro data suggest that there is some decline in SHG loan amount across divisions and social categories, Dammanpeta indicates there are still alarming inequalities at village or Mandal level. As the program is focusing

on TFI¹⁰ in some villages, the problem villages like Dammannapeta may get neglected. Another reason for lower share of SHG loans in family total loan amount is, as mentioned above, that the Nizamabad members are getting higher loan amounts from relatives and friends and money lenders compare to earlier period. The reason for Nizamabad members continued dependence on relatives, friends and money lenders is that many persons in the division are migrating (legally as well as illegally) spending huge sums. As institutions do not finance such transactions, the families are still heavily depended on informal sources including money lenders. As many persons from Kamareddy are also migrating to Gulf spending huge sums, the families' dependence did not come down during last three years.

Table – 4.4: Share of SHG loans in family loan amount in %

Social category	Bodhan	Kamareddy	Nizamabad	Total
In 2003-04				
BC	9.7	4.6	2.8	5.3
Min.	1.8	0.0	2.3	1.8
OC	6.1	3.4	1.8	4.3
SC	4.8	8.7	2.2	4.2
ST		0.0	1.4	1.3
Total	6.9	4.2	2.3	4.2
in 2006-07				
BC	40.4	19.5	6.0	17.2
Min.	76.9	9.1	6.6	9.6
OC	11.8	6.6	8.7	9.9
SC	47.6	22.1	2.5	17.2
ST	15.3	28.6	1.8	5.4
Total	20.5	16.7	5.5	13.4

4.2. Changes in household incomes

Literature suggest that women's individual share in total family income reflects her status in the family. If it increases over period, the women status is expected to increase. In this section, changes in women's share in family income are analyzed. For this, incomes of family and members from primary and other sources were separately collected for both reference years viz. 2003-04 and 2006-07. It is well known fact that rural households are reluctant to reveal the incomes, especially increases/ improvements. In this survey also, members show reluctance to share this peace of information. One excuse often given for not revealing the family/ own income is that they are not aware of it. There are number of gaps in the data obtained for income related questions. E.g. out of total 120 members, only 102 and 106 members gave their family primary income in 2003-04 and 2006-07. Similarly only 81 members said that they have independent income in 2003-04 and 89 members revealed their own primary income in 2006-07. According the sample members, only 39 families have other/ secondary sources income three years and that

¹⁰ Though the TFI is not on the present research team agenda, the team came across certain comments in the field, that TFI is being used to recover old household (agriculture) loans and or CIF overdue amounts. The project is advised to analyze the implication of such practices, if at all they are there.

number increased to 47 now. Only 10 members have own secondary income and that has increased to 15 now. Most probably members might have revealed reasonably accurate picture about their own income sources. Experts say that normally that the degree of under reporting of income would remain the same over the period, therefore field data gives reasonably accurate picture regarding trends over the time. It implies that the data can be used to gaze the trend during last three years. To overcome the problem of gaps, the averages were used extensively in data analysis.

The average income of sample families increased from Rs.19,968 to Rs.24,604 during last three years. Among three divisions Bodhan has highest average income of Rs.25,618 in 2003-04 but highest increase in average income took place in Nizamabad, i.e. 36% vis-à-vis 23% for the district as whole. Over two-thirds of sample members have their own primary occupation. Out of these about 50% are rolling Beedis. Members other primary occupations include cultivation, wage labor, traditional occupation – washing cloths, new business like provisions shops, STD booths, etc in that order of importance. The members own average income has increased by 29%, i.e. from Rs.7,244 to Rs.9,342 during last three years. Again Bodhan leads in both periods with average income of Rs.9,617 and Rs.11,843 in 2003-04 and 2006-07 respectively. The reasons cited for increase in average income include increase in wage rate due to APREGS and revision of Beedi rolling rate. However, growth rate is highest in Nizamabad 36% followed by Kamareddy 33%. As growth rate in primary income of members' is higher than that of family, members' contribution in family income has increased during last three years (Table – 4.5).

Table – 4.5: Average family and member income from primary and other sources

		Bodhan	Kamareddy	Nizamabad	Total
Family's primary income	203-04	25,618	17,344	17,109	19,968
	2006-07	29,300	21,894	22,963	24,604
	Growth rate	14%	26%	34%	23%
Member's primary income	203-04	9,617	6,837	5,083	7,244
	2006-07	11,843	9,092	6,900	9,342
	Growth rate	23%	33%	36%	29%
Family's other income	203-04	36,846	7,167	7,686	17,246
	2006-07	24,500	14,435	11,869	16,560
	Growth rate	(34)	101	54	(4)
Member's other income	203-04	1,000	1,000	3,088	2,670
	2006-07	20,500	4,000	5,270	7,047
	Growth rate	1,950	300	71	164

Families average other income has declined by 4% during last three years from Rs.17,246 to Rs.16,560. But the decline is confined to Bodhan only. Even in Bodhan one member reported steep decline of other income (agriculture) from Rs.300,000 to 100,000. The reason was that the family sold major part of their land due to health needs. The family's primary occupation has also changed from agriculture to other. Leaving this exceptional case aside the average income from other sources has increased for each family. In contrast to decline of 4% in family other income, members' other income grew 164% during last three years from Rs.2,670 to Rs.7,047. The increase is astonishing in Bodhan

(1,950%) and Kamareddy (300%). Though only a small fraction of members have other income, it indicates emergence of diverse and lucrative livelihood opportunities to women during last three years. The SHG program could take major credit for this positive trend. The share of members' other income in families' other income has increased significantly during last three years.

Among five social categories, Minorities have higher family average income from primary source in both periods. However, BC experienced steep increase in their income by 82% followed by ST – 33% and SC – 23%. Minorities and OC, which have higher family average income in 2003-04 experience decline of 10% and 9% respectively during last three years. Members share in family primary income has increased in ST, SC and Minority communities and declined in OC and BC. But members share in family other income increased significantly in ST, OC and Minorities and declined in SC and BC (Table – 4.6).

Table – 4.6: Social category wise average income of family and members in Rs.

		BC	Min.	OC	SC	ST	Total
Family's primary income	203-04	13,755	65,286	30,381	10,648	12,850	19,968
	2006-07	24,997	58,625	27,682	13,109	17,033	24,604
	Growth	82	(10)	(9)	23	33	23
Member's primary income	203-04	6,765	14,400	8,264	6,068	4,457	7,244
	2006-07	9,708	19,857	7,333	7,570	6,550	9,342
	Growth	44	38	(11)	25	47	29
Family's other income	203-04	4,308	4,000	59,000	9,467	5,750	17,246
	2006-07	9,089	7,500	46,425	13,554	8,600	16,560
	Growth	111	88	(21)	43	50	(4)
Member's other income	203-04	2,000		1,700	1,000	3,383	2,670
	2006-07	3,767	22,500	3,650	1,050	6,667	7,047
	Growth	88		115	5	97	164

4.3. Asset formation

Asset creation is another important indicator for studying the impact of SHGs/ bank linkage. As in the case income, members do not under report asset creation. Usually the tendency is to over report.¹¹ Out 120 sample members, 75 members (63%) have invested in asset creation. This proportion is one of the highest recorded in different studies. All these 75 members made 132 investments in different asset creations. Out of these 132, investments, 34% were made in purchase of household articles like TV, Alma rah, furniture, etc, 26% were in livestock purchase, 11% in housing, 9% in land purchase and development, 7% in purchase of vehicles for self use and commercial purposes, 5% in petty business, 4% in ornaments, 3% in sewing machine, 1% each in water connection and cell phone and so on.

Out of 75 members invested in asset creation, 28 are from Bodhan, 24% are from Kamareddy and 23 are from Nizamabad. Out of 75 asset created members, 42 invested

¹¹ Members usually propose an IGA get a bank loan. Invariable they have to guarantee the group/ bank that they would acquire certain assets for IGA. Even if they do not acquire, they claim in subsequent surveys that they have acquired certain assets.

twice, 14 invested thrice and one member made four investments. Repeat investment is highest in Bodhan closely followed by Kamareddy (Table – 4.7). This implies higher inequalities among members in these two divisions.

Table – 4.7: No. of members made investments in asset creation in No.

Particulars	Bodhan	Kamareddy	Nizamabad	Total
One time	28	24	23	75
Two times	21	11	10	42
three times	5	6	3	14
Four times		1		1
Total no. of investments	54	42	36	132
No of members created assets	28	24	23	75
% of members created assets	70	60	58	63

4.3.1. Investments amount in asset creation

The sample members together made Rs.59.8 lakh in asset creation. Bulk of this amount Rs.37.9 lakh (63.4%) was invested by members of Bodhan alone. Members of Kamareddy invested Rs.14.7 lakh (or 24.6% of total) and Nizamabad made Rs.7.2 lakh (or 12%). While members Kamareddy and Nizamabad invested over 82% of their total investment in their first asset, Bodhan members invested less than 50% of total investment in first time assets (Table – 4.8).

Table- 4.8: Distribution of investments amount in %

Particulars	Bodhan	Kamareddy	Nizamabad	Total
One time	49.1	82.3	82.1	61.3
Two times	35.8	10.9	15.4	27.2
three times	15.1	6.6	2.4	11.5
Four times	-	0.2	-	0.1
Total in %	100	100	100	100
Total in Rs.	3,791,300	1,474,800	718,500	5,984,600

4.3.2. Division wise Investment made before and after 2004

To find the change the investment pattern before and after 2004, investment made up to December 2003 was clubbed and called as investment made before and investment made from January 2004 is clubbed and called investment made after 2004.

Table – 4.9: Division & period wise distribution of investments in %

Particulars	Bodhan	Kamareddy	Nizamabad	Total
Before 2004	17	9	40	18
After 2004	83	91	59	82
Total in %	100	100	100	100
Total in Rs.	3,791,300	1,474,800	718,500	5,984,600

Out of 132 total investments in asset creation, 17% were made before 2004 and 83% after 2004. There is not much variation across three divisions. Out Rs.59.8 lakh total investments in asset creation, 18% was made before 2004 and 83% was made after 2004. There is marked variations among three divisions. In Nizamabad over 40% investments was made before 2004 and the same in Kamareddy is only 9% (Table – 4.9).

4.3.3. Social category and period wise investment

Out of Rs.5.98 total investments, OC account for more than 50% followed BC, which account for another one-third. While Minorities made their 100% investment after 2004, the BC made 70% of their total investment in the latter period. Other three social categories made between 70% and 90% of their investment during last three years (Table – 4.10).

Table – 4.10: Social category & period wise distribution of investment in %

Particulars	BC	Min.	OC	SC	ST	Total
Before	30	0	12	14	27	18
After	70	100	88	86	73	82
Total in %	100	100	100	100	100	100
Total in Rs.	2,097,500	421,000	3,104,400	261,600	100,100	5,984,600

4.3.4. Period and family member wise investment

Out of total Rs.59.8 lakh investments in asset creation, 33% of was invested in general items, which do not require registration or for general use of entire families such as chair, tables, etc. Others include husband, in-laws have 44% worth assets in their name. The respondent/ member have 15% worth assets in her name. Sons and daughters got 7% and 1% worth assets. Over 4 times higher amount was invested in asset creation after 2004 compare to earlier period. Entire general category assets were acquired in the recent years. Asset creation in the name son has declined significantly in recent years; where as the entire investment in the name of daughter has been made during last three years only (Table – 4.11). Increased share of members/ women in family loans and income did not result in increased share in assets that created at household level. However, the girl children share started increasing. It is a positive development.

Table – 4.11: Period and family member wise distribution of investment in %

Particulars	General	Self	Son	Daughter	Others	Total
Before	1	21	85	0	19	18
After	99	79	15	100	81	82
Date not specified	0.1	0.0	0.0	0.0	0.0	0.1
Total in column %	100	100	100	100	100	100
Total in Rs.	2,000,200	877,800	436,000	30,900	2,639,700	5,984,600
Total in row %	33	15	7	1	44	100

4.4. Access to food

Out of 120 sample members, 19 families/ members do not have enough food three years ago. Out of these 19 starving members, 10 are BC, 5 are SC, 2 are OC and one each, are ST and Minorities (Table – 3.8). During last three years 10 members have moved from ‘food deficit’ to ‘enough food’ category. This is not a small achievement. That is over 50% of food deficit families moved up to ‘enough food’ category. Further, this improvement occurred for most vulnerable communities, i.e. 4 out of 5 SC, 1 out of 1 ST and 1 out of 1 Minority members achieved this improvement.

What is more important is, whether all members in the family getting equal share in family food basket. It is well known fact that women get less than equal share in the family food basket. In the survey, the members were asked whether the same quality food

is available in adequate quantity to all members. If the answer is know, it is presumed that women in general, the respondent in particular is getting inadequate food or different quality food. Out of 120 sample members, 11 said that food distribution was not equal in their families three years ago.¹² Out of these 11 unequal distributing families, four were food deficit families and seven had enough food. What is more depressing is that during last three years only one family, out eleven ‘unequal distribution’ families, moved to ‘equal distribution’ category. Even this change occurred in food deficit families (Table 4.12). It indicates that cultural factors play an important role than economic factors in intra-family food distribution.

Table – 4.12: Distribution of members according to availability of enough food and its equal distribution in Number

3 meal/ day	Equal food distribution	BC	Min.	OC	SC	ST	Total
Three year ago							
No	No	2	1		1		4
	Yes	8		2	4	1	15
No Total		10	1	2	5	1	19
Yes	No	3			2	2	7
	Yes	33	8	23	20	10	94
Yes Total		36	8	23	22	12	101
Grand Total		46	9	25	27	13	120
Now							
No	No	2			1		3
	Yes	4		2			6
No Total		6		2	1		9
Yes	No	3			2	2	7
	Yes	37	9	23	24	11	104
Yes Total		40	9	23	26	13	111
Grand Total		46	9	25	27	13	120

4.5. Access to health care

Out of 120 sample members, 58.3% have accesses to medical assistance when needed. However, most of them have access to only to semi-formal medical services of Registered Medical Practitioner (RMP). Almost all said that they are not considering government hospital as an option. However, a few members in Kamareddy division said that service in government hospitals has improved in recent times. Among three revenue divisions, highest (67.5%) members in Kamareddy and lowest (52.5%) members in Nizamabad have access to need based medical services. Among five social categories highest (73.9%) members of BC and lowest (30.8%) members of ST have access to medical services three years ago. There is a marginal improvement (4.2% points) in access to medical services during last 3 years. OC members’ access has increased significantly by 12% points and SC and BC experienced marginal increase. There is no change in access of ST and Minorities, who have least access 3 years ago, during last 3 years (Table – 4.13). This is sad state of affairs. The government should invest much

¹² It could be possible that a few more members might have hid the fact about unequal distribution of food in their families to save family pride or to avoid unnecessary controversy in the family.

more in medical facilities. The project and SHG movement should involve and innovate in providing medical facilities to the needy.

Table – 4.13: Percentage of members having access to need based medical assistance 3 years ago and change during study period in %

Division	BC	Min.	OC	SC	ST	Total
Bodhan	53.3	25.0	50.0	87.5	0.0	55.0
Kamareddy	83.3	50.0	42.9	54.5	100.0	67.5
Nizamabad	84.6	66.7	66.7	25.0	20.0	52.5
Total	73.9	44.4	52.0	55.6	30.8	58.3
Change during last three years						
Bodhan	0.0	0.0	0.0	0.0	0.0	0.0
Kamareddy	0.0	0.0	14.3	0.0	0.0	2.5
Nizamabad	7.7	0.0	33.3	12.5	0.0	10.0
Total	2.2	0.0	12.0	3.7	0.0	4.2

ANM is one of the important sources of medical assistance and advice to women. Over three-fourth members use to get ANM service regularly three years ago. There is no difference in this service among three divisions. But there are significant differences among five social categories, varying from 53.8% for ST to 88.9% for Minorities. During last three years only a marginal improvement occurred in ANM visits in total. There is no improvement in Bodhan and for ST members. Minorities experience decrease in the service (Table – 4.14). One of the reasons for non-coverage of ANM could be timing of ANM visiting members' house, when members were away on work. Apart from providing additional ANMs, if needed, to visit all members, the officials may ponder over timing of the ANM visit. ANM should visit women either in the morning or evening so that many members can take advantage of her visit.

Table – 4.14: Percentage of members having ANM visiting 3 year ago and changes

Division	BC	Min.	OC	SC	ST	Total
Bodhan	80.0	75.0	75.0	87.5	0.0	77.5
Kamareddy	83.3	100.0	85.7	54.5	50.0	75.0
Nizamabad	84.6	100.0	66.7	75.0	60.0	75.0
Total	82.6	88.9	76.0	70.4	53.8	75.8
Change during study period in % points						
Bodhan	0.0	0.0	0.0	0.0	0.0	0.0
Kamareddy	11.1	0.0	-14.3	0.0	0.0	2.5
Nizamabad	7.7	-33.3	33.3	12.5	0.0	7.5
Total	6.5	-11.1	4.0	3.7	0.0	3.3

4.6. Access to literacy programs

As mentioned in the profile chapter that the program has contributed significantly for imparting literacy skills among illiterate members. In total over 28% members got literacy skills three years ago and another 20.8% got during last three years. There is not much difference among three divisions on this indicator. However, significant variations can be seen among social categories. SC members not only got highest benefit 3 years ago, they also got even higher benefit during last three years. Minorities were in the

second place in both periods. However, ST, the most vulnerable section got least benefit in both periods (Table – 4.15). This is a matter of concern. Though the program achievements are laudable, still one-third sample members are illiterates. Further the quality of literacy skills are far from satisfactory. The project/ program should invest more resources on this vital task. The project is well advised to take advantage of latest developments in IT sector for spreading literacy, awareness and knowledge, which are essential for women empowerment. Now computers and internet facilities are easily available at affordable prices. The project may consider providing computers and internet facility to each VO.¹³ The Tata Consultancy Service (TCS) developed software, which help to impart literacy skills within 48 hours. TCS provide that software and necessary training hand holding support at free of cost under its social responsibility scheme. Computers help the members to access the necessary information from the net. Computers would also help the groups in maintaining their books of account.

Table – 4.15: Percentage of members having accessed literacy programs 3 years ago

Division	BC	Min.	OC	SC	ST	Total
Bodhan	13.3	50.0	16.7	37.5	0.0	22.5
Kamareddy	27.8	0.0	28.6	54.5	0.0	32.5
Nizamabad	53.8	33.3	16.7	25.0	10.0	30.0
Total	30.4	33.3	20.0	40.7	7.7	28.3
% members having accessed literacy programs now						
Bodhan	0.0	50.0	16.7	50.0	0.0	20.0
Kamareddy	5.6	50.0	28.6	45.5	0.0	22.5
Nizamabad	23.1	0.0	16.7	37.5	10.0	20.0
Total	8.7	33.3	20.0	44.4	7.7	20.8

4.7. Access to safe drinking water

Three years ago less than 60% members used to get safe drinking water regularly. What more disturbing feature are the wide variations in access to safe drinking water among five social-categories. Only 15.4% of ST and 48.1% of SC had access to safe drinking

Table – 4.16: Access to safe drinking water three years ago

SDW supply-before	BC	Min.	OC	SC	ST	Total
Regular	71.7	66.7	68.0	48.1	15.4	59.2
Irregular	19.6	22.2	12.0	22.2	38.5	20.8
No supply	8.7	11.1	20.0	29.6	46.2	20.0
Grand Total	100.0	100.0	100.0	100.0	100.0	100.0
Changes during last 3 years						
Regular	6.5	11.1	12.0	25.9	30.8	15.0
Irregular	-2.2	0.0	0.0	-3.7	-15.4	-3.3
No supply	-4.3	-11.1	-12.0	-22.2	-15.4	-11.7

water three years ago vis-à-vis about 70% for OC and BC. During last three years there is significant decline (11.7% points) in no supply category and moderate decline (3.3 points) in irregularity in the supply. The increase in regular supply 15% points during last

¹³ The project can easily get sponsorship from national and international donors including big corporate houses for this activity.

three years is a significant achievement. What is more laudable is that even higher increase occurred to ST (30.8% points) and SC (25.9% points) (Table 4.16).

4.8. Exposure to media

Exposure to media, such as TV, radio, movies, news paper, etc, is essential for the development of women and their empowerment. To assess members' access to the information, they were asked whether they watch/ listens news on TV/ radio. In total 38% members watch/ listens news on TV/ radio three years ago. There were significant variations among five social categories ranging from zero members of ST to 64% of OC. In Nizamabad only 8% total members watch TV or listens radio news. In other two divisions, the number is two times that of Nizamabad. The reasons for non-watching of new include (a) no TV, (b) no time to watch, and (c) not interested to watch TV. During last three years 12% more members started watching TV news. Highest increase (15% each) occurred in ST, SC and BC. However, there is some decline in Minority members, who are watching TV news. The reason was TV under repair for quite some time. Still 50% members are not watching TV news or listening of radio news. The percentage is even higher in backward categories like ST, SC and BC. The projects may ponder over how to make members to watch TV news or listens radio news and how to use effectively the widespread network of electronic media for generating awareness among the members.

Table – 4.17: Percentage of members exposed to media three years ago in %

Division	BC	Min.	OC	SC	ST	Total
Bodhan	13	22	32	11	-	16
Kamareddy	17	11	24	11	-	15
Nizamabad	9	11	8	7	-	8
Total	39	44	64	30	-	38
Total mem.	100	100	100	100	100	100
Changes during last three years in % points						
Bodhan	-	-	-	14	-	- 1
Kamareddy	7	-	-	11	8	6
Nizamabad	9	- 11	8	7	8	7
Total	15	- 11	8	15	15	12

4.9. Attitudinal change in family members

It is interesting to know whether SHG program, which brought many financial and other benefits to the members/ families, has brought any attitudinal changes among the family members toward SHG program. This issue is analyzed in this section. This analysis is very important as family level changes are essential for women empowerment. Further, obtaining changes in attitude of family members is a part of SHG program's agenda. Here family's support for member in terms– (a) to attend the meetings, (b) to save and repay loan installments, and (c) to attend the SHG work outside the village, is analyzed.

4.9.1. Attending SHG meetings

For 19% members it was not an issue three years ago. As some of the sample members were not members of SHG three years ago, the question of family support to attend the meeting does not arise. Another reason could be there might not have been meetings at all. Yet another reason could be that some the members could be female headed households or single member households. The percentage decline to 8% now. In total 70% members have family cooperation for attending the SHG meetings. The same increased to 84% now. In Bodhan highest percentage (78%) members had family cooperation in the past. However, the percentage increased steeply in Kamareddy from 73% to 90% and Nizamabad from 60% to 75% during last three years (Table – 4.18).

Attitude		Name of the division			Total (%)
		Nizamabad	Kamareddy	Bhodan	
Before	Not applicable	20	18	20	19
	Cooperative	60	73	78	70
	Indifferent	15	8	3	8
	Put hurdles	5	3		3
	Total	100	100	100	100
Now	Not applicable	8	5	10	8
	Cooperative	75	90	88	84
	Indifferent	15	5	3	8
	Put hurdles	3			1
	Total	100	100	100	100

4.9.2. Family support for payment of saving and loan installments

In total 18% members do not have payment problem three years ago and the same declined to 8% now. In the past 78% members have family cooperation for payment of saving amount and loan installment, which increased to 89% now. In Bodhan highest

Attitude		Name of the division			Total (%)
		Nizamabad	Kamareddy	Bhodan	
Before	Not applicable	20	18	18	18
	Cooperative	75	78	83	78
	Indifferent	5	5		3
	Total	100	100	100	100
Now	Not applicable	10	5	8	8
	Cooperative	83	93	93	89
	Indifferent	5	3		3
	Put hurdles	3			1
	Total	100	100	100	100

number of members (83%) has family support in the past and also now (93%). Same percentage of members in Kamareddy is also getting family support for payment of saving amount and loan installment (Table – 4.19).

4.9.3. SHG work outside the village

In the past 43% did not attend any SHG work outside their villages and it declined to 34% now. Overwhelming percentage of members, who attended SHG work outside the village got family support. Family support has increased from 47% to 56% during last three years. Among three divisions, highest number of members in Kamareddy got family support in past (53%) and now (58%). However, the increase is steep in Bodhan from 45% to 58% and in Nizamabad from 45% to 53%. At the same time the problem of indifferent families and families that put hurdles remains the same (Table – 4.20). It implies that the project is not able to address the hardcore problem members/ families.

Attitude		Name of the division			Total (%)
		Nizamabad	Kamareddy	Bhodan	
Before	Not applicable	45	30	53	43
	Cooperative	45	50	45	47
	Indifferent	8	10		6
	Put hurdles	3	10	3	5
	Total	100	100	100	100
Now	Not applicable	40	23	40	34
	Cooperative	53	58	58	56
	Indifferent	5	13		6
	Put hurdles	3	8	3	4
	Total	100	100	100	100

To sum up, the overwhelming majority of members already have family support for SHG activities like attending meeting, payment of saving, repayment of loan and attending SHG work outside the village. Significantly more member got family cooperation during last three years for each of SHG related activity. Family cooperation is highest in Bodhan in both periods. One of the reasons appears to be the high educational levels of one of VO president and office bear of MS, Ms. Kirnamai. Kamareddy caught up Bodhan in these parameters. One of the reasons could be presence of APMAS team in the division.

4.10. Conclusions

Though SHG linked credit increased about fourfold during last three years, it did not translate into higher incomes for members and higher asset creation in the name of members. While the inter-divisional and inter-social categories declined in SHG linked loans, such variation increased significantly in asset creation. It indicates that SHG loans remain small fraction in total household level financial transactions. However, members 'other income' as percentage of family 'other income' increased significantly during last three years. It reflects success of project in providing remunerative supplementary livelihoods to the members. Though household level access to food increased

significantly, the inequalities in intra-household food distribution remain unchanged during last three years. It indicates the importance the non-financial factors in determining intra-household relations. Members' access to health care is an area of concern. Project has to invest a lot on members' education. The project may ponder over to utilize the vast network of electronic media for awareness generation and strengthening of SHGs and their federations.

CHAPTER – 5

EMPOWERMENT OF SHG WOMEN

Dominant view in the literature is that empowerment is a process. E.g. empowerment of women is defined by Swain, Ranjula Bali (2006) as a process, in which women challenge the existing norms and culture to effectively improve their well-being.

There are a number of frameworks to assess the empowerment. Among them the most appropriate one for micro-finance sector is ‘Schuler, Hashemi and Riley’s Empowerment (SHRE) index (Mayoux, Linda, 2005). This index covers issues like – freedom of mobility, ability to make small and large purchases, involvement in major household decisions, relative freedom from domination by the family, political and legal awareness, involvement in political campaigning and protests and economic security and contribution to family support (Ibid). In the present study, the Schuler, Hashemi and Riley’s empowerment index is broadly used with appropriate modifications. Though the index could be used to measure the empowerment in quantitative terms, the study confined to qualitative measurement due to paucity of time and other resources. In this chapter, members’ responses to questions like awareness, mobility, decision making, access to resources, control over resources, political participation, etc are analyzed. Appropriate scales are used for analyzing the members’ responses.

5.1. Awareness

Different studies used different indicators to assess awareness levels. E.g. some studies asked the respondents the names of local elected leader, important officers; some asked respondents their legal rights (say inherent rights of male and female); some asked respondents to identify currency notes, photographs of national leaders, etc. In this study, members awareness about different government programs, that have been, and are being

Table – 5.1: Awareness of members about development programs

Program	% members aware	Program	% member aware
Pensions	90.8	Land Improvement	11.7
RF awareness	90.0	Housing	35.0
Pavalavaddi	89.2	Indiramma Housing	56.7
APREGS	89.2	CMEY	6.7
JRY	5.0	RYS	13.3
Food for work	31.7	Adharana	9.2
CLDP	15.0	Jobs	5.8

implemented in study areas. The programs included in the survey are old age/ destitute pensions, revolving fund (RF), Pavala Vaddi (PV), Andhra Pradesh Rural Employment Generation Scheme (APREGS), etc. Most of the sample members are aware of Pensions (90.8%), RF (90%), PV (89.2%), Indiramma (56.7%), (Table – 5.1). Compare to this, relatively fewer members are aware of programs like ‘food for work’, CMEY, Adharana, Housing, etc. As most of these programs are old and some memory loss is expected in these cases. However, even after discounting the memory loss, the variations in awareness about old and new programs is significant. This could be because of two

factors (1) actual reach of the programs might have increased in recent years, and (2) there is more emphasis on publicizing the program or both these factors together might have contributed for greater awareness.

5.2. Access to resources

Access to family resources is an important indicator for empowerment. In this section women's access to household produces and rising of hand loans are analyzed

5.2.1. Sale of small quantities of family produces

Members can get access to family income, apart from directly asking the head of the family, through sale of small quantities of family produces like grain and raising hand loans. Women in rural areas usually sell small quantities of family produces like grain, dairy products, NTFP collection, etc to buy such items to meet the needs of children, self or family. Out of 120 sample members, 38.3% did not sell any household produces three years ago. This proportion is least 24% for OC and highest 52.2% for BC. Not selling could be also due to non-availability of family produces. In the remaining members 12.5% said that they sell the family produces on their own without asking any family member. Another 7.5% sells and just inform the family members. Over 26.7% members sell with equal consent of family (husband) and another 15% members sell with the permission of the family (Table – 5.2).

There are significant variations in these proportions among five social categories. In total there are marginal variations in selling pattern during last three years, as the proportion of non-selling members declined by 0.8% points. However, there are some positive changes in type of selling, i.e. proportion of members selling 'solely' and 'major role' has increased by 2.5% and 4.2% points respectively. ST and OC members contributed for growth of 'solely' sellers and ST and Minorities are leading in 'major role' category.

Table – 5.2: Distribution of members as per type of sale of HH produce 3 years ago and change during last 3 years in %

Degree of access	BC	Min.	OC	SC	ST	Total
Do solely	8.7	22.2	16.0	11.1	15.4	12.5
Major role	2.2	11.1	4.0	14.8	15.4	7.5
Equal role	23.9	22.2	40.0	29.6	7.7	26.7
Minor role	13.0	0.0	16.0	14.8	30.8	15.0
NA	52.2	44.4	24.0	29.6	30.8	38.3
Grand Total	100.0	100.0	100.0	100.0	100.0	100.0
Changes during last 3 years in % points						
Do solely	0	0	4	0	15.4	2.5
Major role	2.2	11.1	4.0	3.7	7.7	4.2
Equal role	-4.3	-11.1	-4.0	3.7	0.0	-2.5
Minor role	-2.2	0.0	4.0	-7.4	-15.4	-3.3
NA	4.3	0.0	-8.0	0.0	-7.7	-0.8

5.2.2. Hand loans

Another indicator for access to family resources is members' ability to raise hand loans. This she can do either on her own, or play a dominant role or with consensus with family

or with prior permission of the family. In total 85% members have raised hand loans three years ago either on their own or with the consent of family members. This proportion varied between 80% of OC and 92.6% of SC. Out of 85% members, who raised hand loans three years ago, about half did on their (solely or major role) and another half did in consultation with family members. However, there are marked variations among five social categories. Majority of OC and Minority members raised hand loans on their own and majority members in remaining three categories raised either on with consultation with, or with permission of family. The proportion, members rising of hand loans, has increased further by 2.5% points during last 3 years. OC, ST and SC members constituted this increase. The proportion of ST and Minority members raising loans on their own has increased by 23.1% points and 11.1% points respectively during reference period. The same for SC is 7.4% points. A couple of reasons for very high proportion of Minority members raising hand loans on their own could be (1) cultural factors like bigamy and separation, and (2) male migration to Gulf countries.

Table – 5.3: Pattern of hand loans raising 3 years ago and changes in %

Degree of access	BC	Min.	OC	SC	ST	Total
Do solely	28.3	55.6	20.0	22.2	15.4	25.8
Major role	10.9	22.2	28.0	18.5	7.7	16.7
Equal role	26.1	11.1	16.0	37.0	38.5	26.7
Minor role	17.4	0.0	16.0	14.8	23.1	15.8
NA	17.4	11.1	20.0	7.4	15.4	15.0
Grand Total	100.0	100.0	100.0	100.0	100.0	100.0
Changes during last 3 years in % points						
Do solely	0.0	0.0	0.0	0.0	15.4	1.7
Major role	-2.2	11.1	0.0	7.4	7.7	2.5
Equal role	2.2	-11.1	4.0	-7.4	0.0	-0.8
Minor role	-2.2	0.0	4.0	3.7	-15.4	-0.8
NA	2.2	0.0	-8.0	-3.7	-7.7	-2.5

5.3. Control over resources

One of the ultimate indicators for women empowerment, in the literature, is ‘women’s control on their body’. However, the present study limited its analysis to members’ control over their own earnings, SHG loans, personal saving and their jewellery. Members were asked whether they have total control on their resources or not. If they do not have total control, the degree of control is asked, whether they have major say, equal say or minor say on their earnings, savings and jewellery.

5.3.1. Use of members own income

In total out of 120 sample 46 members or 38.3% do not have own income three years ago. It appears to be little higher compare to field observations. In the field it was observed that most of the women have own income either through Beedi rolling or dairy. A mistake in research tool might have caused this under reporting, if any, of the own earning. In the tools it was printed as ‘earnings of income generating activity (IGA)’ in place of own income. However, it was clarified to the research team in the beginning itself. Even if there is a under reporting, it would be a small proportion only.

Three years ago, in the 74 members, who have ‘own income’, 34 used it in consultation with family members, 13 each use ‘on their own’ or ‘with major say’. In total, 14 members have little say in the use of their own income. Relatively more members from OC and ST fall in this category. During last three years, 4 more members started earning their income. During the same period 4 more members started using their income with total discretion and 2 additional members started using their incomes with more authority. The improvement is more pronounced in ST, BC and SC members (Table – 5.4).

Table – 5.4: Use of own income: Distribution of members in Number

Degree of control	BC	Min.	OC	SC	ST	Total
Total	4	3	2	2	2	13
Major	4	1	3	3	2	13
Equal	15	3	6	8	2	34
Minor	4	1	5	1	3	14
NA	19	1	9	13	4	46
Grand Total	46	9	25	27	13	120
Change during last three years in number						
Total	2	0	0	0	2	4
Major	0	1	0	1	0	2
Equal	-2	-1	0	0	1	-2
Minor	1	1	0	0	-2	0
NA	-1	-1	0	-1	-1	-4

5.3.2. Use of SHG loans

In total 15% did not have SHG loan three years ago. Relatively more ST and SC members do not have loans three years ago. However, access to SHG loans of these two vulnerable communities has increased at faster pace than others during last three years.

Table – 5.5: Control over SHG loans: Distribution of members in %

Degree of control	BC	Min.	OC	SC	ST	Total
Total	13	33	4	7	15	12
Major	15	11	20	22	23	18
Equal	48	44	48	41	23	43
Minor	11	0	16	11	15	12
NA	13	11	12	19	23	15
Grand Total	100	100	100	100	100	100
Change during last three years in %						
Total	0.0	0.0	0.0	3.7	15.4	2.5
Major	0.0	11.1	-4.0	3.7	0.0	0.8
Equal	-2.2	-11.1	0.0	3.7	7.7	0.0
Minor	0.0	11.1	12.0	0.0	-7.7	2.5
NA	2.2	-11.1	-8.0	-11.1	-15.4	-5.8

Majority members do not have dominant say in the use their groups’ loans. In all, only 12% have total discretion on the use of their loan amounts and another 18% have major say. Against this 43% have equal say and another 12% have minor say in the use of their

borrowings from the groups. During last 3 years there are positive developments. In this period, 5.8% (points) additional members got loans and 2.5% points gained total control on their loans. In these developments, ST and SC performed better than other categories. However, there are areas of concern during last three years. Number BC members having loan access has declined by 2.2% points. There is an increase of 2.5% points in ‘minor say’ members. In this category OC and Minorities experienced an increase of 12% points and 11.1% points respectively (Table – 5.5). One of the reasons for greater involvement of family in the SHG loan could its potential risk involvement to the family. Another reason could be larger size of SHG loans.

5.3.3 Control over personal savings

In all only a small fraction of members have total (10) or major (11) say on their savings. Nearly 50% members, who have personal savings, consulted their families on equal basis and only 14 members have minor role in their savings three years ago. Though the overall change is small during last three years, it is in right direction. During the reference period, 3 additional members started having personal savings and 2 members gained total control and one member attained major say on their personal savings. Again ST and SC lead this improvement in that order (Table – 5.6).

Table – 5.6: Personal savings: Distribution of members in Number

Degree of control	BC	Min.	OC	SC	ST	Total
Total	6		1	2	1	10
Major	2	2	2	1	4	11
Equal	12	2	8	10	1	33
Minor	7		4	2	1	14
NA	19	5	10	12	6	52
Grand Total	46	9	25	27	13	120
Change during last three years in number						
Total	0	0	0	0	2	2
Major	0	0	1	1	-1	1
Equal	0	0	-1	-1	2	0
Minor	0	0	1	0	-1	0
NA	0	0	-1	0	-2	-3

5.3.4. Sale or mortgage of jewellery

Three years ago, 54.2% members did not sell or fledge their jewellery. In only 13.3% cases, members have minor say in sale/ mortgage of their jewellery three years ago. In aggregate, there are only marginal variations during last three years. One more member has sold/ fledged her jewellery in recent years. Members control over their jewellery sale/ mortgage has increased 2% points in total control and 1% point in major say categories during study during last three years. ST leads in these improvements (Table – 5.7).

Table – 5.7: Sale or mortgage of jewellery: Distribution of members in %

Degree of control	BC	Min.	OC	SC	ST	Total
Total	8.7	0.0	0.0	7.4	7.7	5.8
Major	4.3	22.2	8.0	3.7	0.0	5.8
Equal	21.7	11.1	20.0	29.6	7.7	20.8
Minor	17.4	0.0	12.0	7.4	23.1	13.3
NA	47.8	66.7	60.0	51.9	61.5	54.2
Grand Total	100.0	100.0	100.0	100.0	100.0	100.0
Changes during last three years in % points						
Total	0	0	0	0	15	2
Major	0	0	0	4	0	1
Equal	0	0	-4	-7	8	-2
Minor	0	0	8	4	-23	0
NA	0	0	-4	0	0	-1

5.4. Involvement in decision making

Involvement in decision making is another important indicator of empowerment. In this section, women’s involvement in decision making in the areas of ‘improvement/ purchase/ sale of household assets’, ‘family saving’, ‘children’s education’, children’s marriages’, ‘occupational changes’ and ‘casting of own vote’ are analyzed. As above the degree of members’ involvement in decision making is analyzed in each of the identified indicators in this section also.

5.4.1. Involvement in improvement/ purchase/ sale of assets

Over three-fourths of members have improved/ purchased/ disposed household assets like land, house, vehicle, etc. Majority of members (40%) did it with equal consultation. In about one-fifth cases, members have limited (minor) involvement in the decisions related to acquiring and disposal of household assets. In ST 38.5% of members, have minor role in decision making process, three years ago. In 8.3% cases members take decisions solely and in another 8.3% cases members have major role. It may be worth recalling that 25%

Table – 5.8: Involvement in improvement/purchase/sale of assets three years ago: Distribution of members in %

Degree of involvement	BC	Min.	OC	SC	ST	Total
Solely	10.9	11.1	4.0	11.1	0.0	8.3
Major	4.3	22.2	4.0	7.4	23.1	8.3
Equal	45.7	22.2	40.0	48.1	15.4	40.0
Minor	15.2	11.1	20.0	18.5	38.5	19.2
NA	23.9	33.3	32.0	14.8	23.1	24.2
Grand Total	100.0	100.0	100.0	100.0	100.0	100.0
Changes during last three years in %						
Solely	-2	0	0	0	15	1
Major	2	0	4	0	8	3
Equal	-4	0	4	7	8	2
Minor	4	0	0	-4	-23	-2
NA	0	0	-8	-4	-8	-3

of sample members are from female headed families, probably the respondents themselves. Yet only 16.6% are taking decisions solely or playing major role in decision related to the whole family. There is marginal but positive change during last three years in decision making process. In total 3% point additional members have transacted in the family assets. There is a decline of 2% points in members playing minor role in decision making. But, ST members experienced highest improvement in their involvement in family decisions during last three years. SC members also have some improvement but BC members experience some decline in their involvement in family decision making (Table – 5.8).

5.4.2. Family savings

About 70% members have family savings three years ago and in over 40% cases, members' involvement in decision making about family saving is equal to other members of the family. However, it is relatively low in ST members. Very few members were taking decisions about savings solely (6.7%) and playing major role (8.3%). Relatively higher percentage of ST (23.1%) and Minority (22.2) used to play major role in family savings. During last three years, only 3% point additional members started family savings. New members came from ST and OC communities only. There is marginal decline (3% points) in minor decision makers among total sample and marginal increase (2% points) each in equal, major and sole decision makers. However, there are significant variations in ST members during last three years. Now, none of ST members are minor decision makers. They have moved to sole decision makers. Another 8% point members moved to major decision making. There is some increase (4% points) of SC members in major decision making category (Table – 5.8).

Table – 5.8: Involvement in decisions about family savings three years ago:

Distribution of members in %						
Degree of involvement	BC	Min.	OC	SC	ST	Total
Solely	8.7	11.1	4.0	7.4	0.0	6.7
Major	2.2	22.2	4.0	11.1	23.1	8.3
Equal	47.8	33.3	36.0	44.4	23.1	40.8
Minor	13.0	0.0	16.0	18.5	15.4	14.2
NA	28.3	33.3	40.0	18.5	38.5	30.0
Grand Total	100.0	100.0	100.0	100.0	100.0	100.0
Changes during last three years in % points						
Solely	0	0	0	0	15	2
Major	0	0	0	4	8	2
Equal	0	0	8	0	0	2
Minor	0	0	0	-4	-15	-3
NA	0	0	-8	0	-8	-3

5.4.3. Decision making about children education

Over 80% members took decisions three years ago about their children's education. While 50% members were involved in decision making as equals, about 18% involved as sole decision makers or as dominant partners and only 13.3% members involved as minor partners. Among five social categories, BC, OC and SC follow broadly the general

pattern. But relatively more ST and Minority members have either dominated family members or been dominated by family members in decision making. It reflects wide variations in the members' awareness, etc, within these communities. As observed there has small but positive change in members' status in decision making regarding their children's education. As observed above, ST and Minorities have significantly and SC have moderately improved their status in decision making vis-à-vis other members of their families. At the same time there is marginal decline in the status of OC and BC members in decision making process (Table – 5.9).

Table – 5.9: Involvement in decision making about children's education three years ago: Distribution of members in %

Degree of involvement	BC	Min.	OC	SC	ST	Total
Solely	8.7	0.0	8.0	3.7	0.0	5.8
Major	8.7	22.2	0.0	14.8	30.8	11.7
Equal	54.3	33.3	52.0	59.3	23.1	50.0
Minor	15.2	22.2	16.0	3.7	15.4	13.3
NA	13.0	22.2	24.0	18.5	30.8	19.2
Grand Total	100.0	100.0	100.0	100.0	100.0	100.0
Changes during last three years in % points						
Solely	-2.2	11.1	-4.0	0.0	15.4	0.8
Major	2.2	0.0	0.0	3.7	0.0	1.7
Equal	0.0	0.0	4.0	3.7	0.0	1.7
Minor	2.2	0.0	0.0	0.0	-15.4	-0.8
NA	-2.2	-11.1	0.0	-7.4	0.0	-3.3

5.4.4. Decision making about children marriage

Out of 120 sample members, only 53 members have their children's marriages or took decision about their children's marriages three years ago. Out these 53 members, 35 took on equal basis. In remaining 18 members, 4 made decisions solely, 6 members involved as major partners and 8 members as junior partners in decision making. All five social category members followed similar pattern in decision making about their children's marriages. There is no change during last three years in this aspect.

5.4.5. Occupational change

Out of total sample 120 members, 57 took decision about their family occupation changes. Out of these 57 members, 38 members involved in decision making as equal partners, 8 as junior partners, 6 as major partners and 5 as sole. Slightly higher proportion of ST and SC members involved as sole and major decision makers compare to other three social categories. There is no change during last three years.

5.4.6. Casting own vote

In total 6.7% members did not vote three years ago. At the same time 100% of ST and 96.3% SC members had voted at some time or other. The proportion was slightly low in other categories and least (88.9%) for Minorities. Most of the members (34.2%) members decide solely about their vote. In this category variation is 22.2% of SC to 44.4% of Minorities. About 32% members decide in consultation with family on equal basis about

casting their vote. In this category the variation is 48.1% of SC and 24% of OC. In remaining members, 17.5% have dominant and 10% have minor role in deciding about casting of their own vote. In total it appears that Minority members have highest freedom in deciding about their vote closely followed by ST and SC members and BC and OC have relatively less from on this aspect. During last three years women status has further improved in decision making process about their votes. Another 2.5% point members started voting during last three years. The number of sole and major decision makers has increased by 5% points and 3.3% points respectively during last three years. As observed in other indicators, ST and SC members have, here also, experienced higher improvement compare to other categories (Table – 5.10).

Table – 5.10: Involvement in decision about casting own vote: Distribution of members three years ago in %

Degree of involvement	BC	Min.	OC	SC	ST	Total
Solely	34.8	44.4	44.0	22.2	30.8	34.2
Major	21.7	11.1	8.0	18.5	23.1	17.5
Equal	23.9	33.3	24.0	48.1	38.5	31.7
Minor	10.9	0.0	16.0	7.4	7.7	10.0
NA	8.7	11.1	8.0	3.7	0.0	6.7
Grand Total	100.0	100.0	100.0	100.0	100.0	100.0
Changes during last three years in % points						
Solely	2.2	11.1	0.0	7.4	15.4	5.0
Major	0.0	0.0	12.0	3.7	0.0	3.3
Equal	-2.2	0.0	-8.0	-7.4	-15.4	-5.8
Minor	0.0	0.0	0.0	0.0	0.0	0.0
NA	0.0	-11.1	-4.0	-3.7	0.0	-2.5

5.5. Mobility

Mobility is considered one of the most important indicators of empowerment. In this section members' mobility is assessed with their visiting pattern to most common places like shops outside their village, banks, PHC/ hospital, out of village on SHG work and MDO/ MRO office. The pattern means, whether they are visiting alone or with family members, with SHG members, with others, etc. Changes in visiting pattern during last three years are also analyzed.

5.5.1. Visit to shops outside the village

There is a marginal increase in total number of people visiting shops outside the village from 82% to 84% during last three years. However, there are marked variations in the degree of dependency in the mobility. There is a significant increase in members going alone from 45% to 60% and marked decline of members shopping with family members from 33% to 20% during the study period. Male migration to Gulf could be one of the explanatory factors for this trend. These variations are not very significant among the three revenue divisions, developed or developing mandals and remote and close villages. However, marked variations are observed among social categories and according to household heads.

Though variation in total mobility at aggregate level is marginal, there are significant variations in type of mobility and among five social categories. In total, mobility has increased in OC, SC and ST members. Compare to 3 years ago relatively more BC and OC members have shifted to 'go alone' category from 'with family members' category' for shopping outside the village. However, very high proportion of SC – 63% and ST 69% members are already going alone to outside village shops and they have increased further to 78% and 77% respectively (Table – 5.11). Muslim women's mobility with family members declined from 44% to 33% and mobility with 'other members increased from zero to 11% during the reference period.¹⁴

Table – 5.11: Visiting shops outside the village: Social category and type of mobility wise distribution of members in %

Degree of dependence	BC	Min.	OC	SC	ST	Total
3 years ago						
Go alone	33	44	36	63	69	45
With family members	41	44	40	19	15	33
With SHG members	4	-	4	4	-	3
With others	-	-	-	-	-	-
Not gone	22	11	20	15	15	18
Total	100	100	100	100	100	100
Now						
Go alone	52	44	52	78	77	60
With family members	22	33	28	7	15	20
With SHG members	4	-	4	4	-	3
With others	-	11	-	-	-	1
Not gone	22	11	16	11	8	16
Total	100	100	100	100	100	100

As expected, mobility is very high in female headed families compare to male headed families. About 70% members in female headed families use to go alone to shops outside their villages three years ago. The same is 37% in male headed families. These two

Table – 5.12: Visiting shops outside the village: Family head and type of mobility wise distribution of members in %

Degree of dependence	3 year ago			Now		
	Female	Male	Total	Female	Male	Total
Go alone	70	37	45	83	52	60
With family members	23	37	33	10	23	20
With SHG members	3	3	3	7	2	3
With others	-	-	-	-	1	1
Not gone	3	23	18	-	21	16
Total	100	100	100	100	100	100

¹⁴ It was noticed in the field that one or two deserted women have to shift their dependency from family members to others.

percentages increased to 83 and 52 respectively during last three years. Changes in other categories are similar for both types of families (Table – 5.12).

5.5.2. Visiting bank

In total 32% members did not visited bank three years ago. This percentage has declined by 13% points during last three years. There is significant increase (16% points) in members going alone to the banks and marginal increase (3% points) in members going with SHG member during last three years. The percentage members visiting bank has declined by 5% points during last three years from 13% three years ago. Among five social categories higher proportion of SC (37%) and ST (38) did not visit banks three years ago. However, that proportion declined sharply by 22% points in SC and 15% points in ST categories. SC and ST communities are leading in the ‘going alone’ category with 41% and 31% reporting that they had visited banks alone three years ago compare to 28% for all social categories. It indicates that there are marked variations within SC and ST communities. None of the SC community and very few (8%) ST members visited bank with family members three years ago and the situation remain same even now (Table – 5.13).

Table – 5.13: Visit to banks: Social category and type of mobility wise distribution of members in % three years ago and changes during last three years

Degree of dependence	BC	Min.	OC	SC	ST	Total
Go alone	22	33	20	41	31	28
With family members	15	11	24	-	8	13
With SHG members	37	22	24	22	23	28
Not gone	26	33	32	37	38	32
Total	100	100	100	100	100	100
Changes during last three years						
Go alone	20	- 11	20	19	8	16
With family members	- 9	0	- 8	0	0	- 5
With SHG members	- 7	22	8	4	8	3
Not gone	- 4	- 11	- 20	- 22	- 15	- 13

Table – 5.14: Visit to banks: Division and type of mobility wise distribution of members in % three years ago and changes during last three years

Degree of dependence	Bodhan	Kamareddy	Nizamabad	Total
Go alone	15	33	35	28
With family members	13	8	18	13
With SHG members	38	33	15	28
Not gone others	35	28	33	32
Total	100	100	100	100
Changes during last three years in %				
Go alone	13	15	20	16
With family members	0	- 5	-10	- 5
With SHG members	0	10	- 3	3
Not gone others	- 13	- 20	- 8	-13

Among three divisions, members from Bodhan appear to be more inhibited to go to banks three years ago. In Bodhan, three years ago, 35% members did not go to banks at all and only 15% members visited bank alone. Most of the members (38%) use to go to banks with SHG members and 13% used to go with family members. During last three years 13% members shifted, in Bodhan, from ‘not gone’ category to ‘go alone’ category. Three years ago, 28% members in Kamareddy did not visit bank, but during last three years this percentage declined by 20% points. Most of the members (35%) Nizamabad division use to go to banks alone. It has increased further by 20% pints (Table – 5.14). In total highest change is observed in banking habit of members. In total 13% more members are going to banks now compare to three years ago and 16% more members are visiting banks alone. In some divisions and social categories change is even more dramatic.

5.5.3. Visit to hospitals/ PHCs

In total, most of the members (38%) use to visit banks and PHC with family members three years ago, closely followed by ‘go alone’ category 34%. At the same time 3% members gone with SHG members and 2% members with others. Three years ago 23% members did not go to hospitals. During last three years 14% members have shifted from ‘with family members’ category to ‘go alone’ category. It is a welcome sign of empowerment. The reasons for this observed shift could be (a) age factor, (b) due to association with SHG, and/ or (c) both (a) and (b).

In ‘not visited’ category, OC leads with 40% followed by minorities 33% and ST 31%. In ‘go alone’ category SC leads with 56% closely followed by ST – 46%. In ‘with family members’ category BC leads with 52% followed by Minorities (44%). During last three years highest 22% point members of BC have shifted to ‘go alone’ category followed by SC 19%. In total there is marginal increase in members going with SHG members. In this category ST leads with 8% points and SC with 4% points (Table – 5.15).

Table – 5.15: Visit to hospitals/ PHCs: Social category & type of mobility wise distribution of members in % three years ago and changes during last three years

Degree of dependence	BC	Min.	OC	SC	ST	Total
Go alone	26	22	24	56	46	34
With family members	52	44	28	30	23	38
With SHG members	4	0	8	0	0	3
With others	4	0	0	0	0	2
Not gone	13	33	40	15	31	23
Total	100	100	100	100	100	100
Change during last three years in % points						
Go alone	22	-11	8	19	8	14
With family members	-20	-11	0	-22	-8	-14
With SHG members	-2	0	0	4	8	1
With others	-2	0	0	0	0	-1
Not gone	2	22	-8	0	-8	0

5.5.4. Attending SHG work outside the village

In Total 48% members did not attended any SHG related work outside their village three years ago. In this category OC leads with 68% closely followed by Minorities (67%).

Among the members who attend SHG work outside their village, majority 26% have gone ‘with SHG members’, 19% have ‘go alone’ and 7% gone with their family members. During last three years, 6% point additional members started attending SHG work outside their village. In this category OC leads with 12% points, followed by SC and ST with 11% points and 8% points respectively. Though relatively more members are going ‘with SHG members’ to outside their villages on SHG works, the number of members ‘go alone’ has increased steeply (8% points) during last three years (Table – 5.16).

Table – 5.16: Attending SHG work outside village: Social category & type of mobility wise distribution of members in % three years ago and changes during last three years

Degree of dependence	BC	Min.	OC	SC	ST	Total
Go alone	13	11	12	33	31	19
With family members	11	0	4	4	8	7
With SHG members	39	22	16	19	15	26
Not gone	37	67	68	44	46	48
Total	100	100	100	100	100	100
Change during last three years in % points						
Go alone	11	0	8	7	0	8
With family members	-4	0	-4	-4	0	-3
With SHG members	-7	0	8	7	8	2
Not gone	0	0	-12	-11	-8	-6

It may be interesting to know the variations, if any, in the mobility of members in terms of their status in the SHGs. Members were divided into ex-leaders, leaders and ordinary members for this analysis. In total, 48% members did not go out of their village on SHG work three years ago. The same is 57% for ordinary members, 33% for leaders and 20% for ex-leaders. As mentioned above, movement with other SHG members is predominant practice. The same is 60% in case of ex-leaders, 25% in case of ordinary members and 22% in case of leaders. Leaders dominate in ‘go alone’ category with 36% compare to 13% for ordinary members and zero for ex-leaders. However, mobility of leaders and ex-leaders increased significantly during last three years. Out of total five, one each of ex-leaders have shifted from ‘with SHG members; and ‘with family members’ category to ‘go alone category. Six percent each of leaders have shifted from ‘not visited’ and ‘with family members’ category to ‘go alone’ and ‘with SHG members’ category (Table – 5.17).

Table – 5.17: Attending SHG work outside village: Status in SHG & type of mobility wise distribution of members in % three years ago and changes during last three years

Degree of dependence	Ex-leader	Leader	Member	Total	Ex-leader	Leader	Member	Total
Go alone	-	36	13	19	40	42	19	27
With family members	20	8	5	7	-	3	4	3
With SHG members	60	22	25	26	40	28	27	28
Not gone	20	33	57	48	20	28	51	43
Total	100	100	100	100	100	100	100	100

5.5.5. Visits to MRO/ MDO offices

About two-thirds of members did not visit to MRO/ MDO office three years ago. Only 15% members visited MRO/ MDO offices alone. Only 8% members visited the offices with family members three years ago and it has declined further by 3% points during last three years. ‘Go alone’ category increased by 3% points and there is 2% points each increase in ‘with SHG members’ and ‘with others’ categories during last three years (Table – 5.18). It clearly indicates lessening dependence on family among SHG members.

Table – 5.18: Visit to MRO/ MDO offices: Status in SHG & type of mobility wise distribution of members in % three years ago and changes during last three years

Degree of dependence	BC	Min.	OC	SC	ST	Total
Go alone	4	0	8	37	31	15
With family members	9	11	12	0	8	8
With SHG members	15	11	8	19	8	13
Not gone	72	78	72	44	54	64
Total	100	100	100	100	100	100
Changes during last three years in % points						
Go alone	4	0	8	0	0	3
With family members	-4	0	-4	0	0	-3
With SHG members	2	0	0	4	0	2
Not gone	2	0	0	4	0	2
Total	-4	0	-4	-7	0	-4

5.6. Political participation

In political participation, indicators such as contesting election, taking membership in executive bodies of CBOs, campaigning for political candidate and participation in important political and development meetings, etc are considered as empowerment indicators. In this section sample members’ participation in these activities three years ago and changes during last three years are discussed. Further, members were asked whether they have participated with own will or for the sake of family or group or on compulsion.

5.6.1. Contest to political office

Members were asked whether they have contested any time to any political offices such as Panchayat ward member, Sarpanch, I Paris had Territorial Council (MPTC) membership or higher offices. Out of sample 120 members only one member contested to a political office three years ago. That member was OC member and contested on her own will. During last three years five more members contested political office. Of these five members, three are SC, one each is BC and Minorities. It appears that as SGH/ MS/ ZS leaders are barred from contesting elections. Therefore only few ordinary members of SHGs are contesting elections.

5.6.2. Selection to CBO

Out of 120 sample members, seven members got selected in CBOs like watershed committee, Joint Forest Management Committee, Water Users Committee, etc. Of these

seven, three are SC, two are OC and one each is ST and BC. Three more members got selected in CBOs during last three years. Out of these three members two are ST and one is OC. One of the reasons for slow progress in members' selection in CBOs could be that CBOs are no longer on the priority list of the Government.

5.6.3. Campaign for any (political) candidate

Three years ago 8 out of total 120 members campaigned for a candidate in the election. Out of these five are BC and one each is OC, ST and SC. During last three years, five more members have campaigned for a candidate. Out of these, two are SC and one each is ST, OC and Minorities. The reason for fewer members' involvement in political campaigns is the project's objective of developing the program as 'apolitical' program. It is a correct policy in the given political environment at least on practical consideration. However, it may conflict with the vision of the program 'empowerment' in the long run and at least indirectly. The promoters may have open mind on this issue and have to continuously think over on this vital issue.

5.6.4. Participation in important development meetings

The AP government has been conducting a number of important development meetings at decentralized level with higher officials, ministers and even with Chief Minister. These include Janma Bhoomi, Indiramma, etc. Another important meeting at village level is Gram Sabha (village assembly). Out 120 members, 29 participated in important meetings three years ago. Relatively higher proportion of ST, SC and BC members participated in those meetings. During last three years only 27 members participated in such meetings. Reasons for less members participation during last three years are (a) shorter reference period of 3 years compare longer reference period of more than three year in 'three years ago' category and (b) organization of fewer meetings in recent years compare to earlier period.

5.6.5. Social concern

Caring for the needy is another important indicator of empowerment. The project has introduced a rice donation program known as 'Guppedu Biyyam'. Under this program, the project encouraged groups to donate a small quantity of rice to destitutes every month. About 50% members have followed these guidelines and donated rice from one time to 30 times. Among five social categories 60% of OC and BC members have donated rice and about one-third of SC, ST and Minorities have donated. Among three divisions, Kamareddy leads in this activity. Out of 40 sample members 28 in Kamareddy have donated rice. Against this only 15 out of 40 Bodhan and 16 out of 40 Nizamabad members have donated.

5.7. Conclusions

To sum up, members have attained more empowerment during last three years. The increase in different set of empowerment indicators, viz. awareness, access to resources to, and, control over resources, decision making, mobility, political participation and social concern vary from nominal to average. In few cases like mobility especially to banks and shops outside the village, the improvement is significant. As the reference period is small, i.e. 3 years, the observed change is reasonable. Another positive feature

of this change is that the increase in empowerment indicators is significantly higher in SC and ST communities vis-à-vis other communities. However, the entire increase can not be attributed to SHG program alone. Within SHG program also at least a part of present improvement could be a result of various measures initiated in SHG program in the past. It is well known fact that changes in social and cultural indicators take very long period or at least some substantial changes in other fields such as economic, political, legal, administrative fields. The observed change in women empowerment might have be the result of some swift changes in economic and other fields. Some of these changes have been discussed in chapter 3 and 4. Other possible contributory factors are: (a) Male migration to Gulf countries. In total about 20% household have Gulf migration. But Bodhan has very little Gulf migration. It is 30% in Nizamabad and 28% in Kamareddy. (b) Other reasons for positive change in women empowerment include responsive government functioning, specially the IKP project and market level changes. Market level changes imply changes in transport facility, availability of Before that a brief discussion about women's empowerment as observed by other stakeholders or peers.

CHAPTER – 6

NON-SHG MEMBERS' PERCEPTIONS ON WOMEN MPOWERMENT

The previous chapter clearly indicates that there has been some increase in all empowerment indicators suggesting increase in women's empowerment level. But the observed improvement in empowerment indicators is based on members own responses or perception. It is interesting to know, whether others also perceiving such empowerment. It would be also interesting and useful to know what strategies they are adopting to meet the challenges/ opportunities of increasing women's empowerment. This chapter analyzes the observations of other stakeholders and their responses. The stakeholders included in this section are – bankers, shop keepers, money lenders/ big farmers, Panchayat leaders and key resource person. As this analysis meant for triangulation of findings of the previous section, information is gathered only from small sample in each category, i.e. 12 from shop keepers, 12 from money lenders/ big farmers, 12 from PRIs, 12 village schedules and six bankers. As the information was gathered with limited purpose, it was gathered with check lists. The information would provide an indicative picture only. Further, the chapter also examines the changes at official levels, SHG federation level, both in office bearers and staff and family level.

6.1. Bankers

Information regarding bankers' perceptions about SHG women's empowerment was collected from six bank branches, AGM, NABARD and Lead Bank Manager. As information from one DCCB is not up to the mark, it was rejected in the analysis. It was observed that bank branch managers are reluctant to provide quantitative information, especially past years' data, because of their busy schedules. As a result there are many gaps in 2003-04 data provided by the bank branches. However, to overcome this problem, the average figures are calculated for each indicator for both periods separately and compared.

The average number of all loan accounts per sample branch increased by little over 20%, i.e. from 1,223 in 2003-04 to 1,499 in 2006-07. During the same period SHG loan account have doubled from 42 to 85. While average total advances per branch increased marginally from Rs.2.12 cr. in 2003-04 to Rs.2.23 cr. in 2006-07, the average advances for SHGs have shot up from less than Rs.5 lakh in 2003-04 to Rs.66 lakh in 2006-07. The average loan outstanding amount of SHGs also risen steeply from Rs.12.2 lakh to Rs.82.3 lakh compare to just doubling of total loan outstanding per branch from RS.2.14 cr. to Rs.4.86 cr. The proportion of SHG/ women customers to total customers has risen from 13% to 38%. At the same time, the proportion of SHG related NPA to the total NPA per branch has raised from 0.6% to 6.2% (Table – 6.1).

In total seven bankers gave their opinions on different aspects of women empowerment and bank linkages. As each banker has given more than one answer for each question, total responses are significantly higher than seven. Reasons for steep growth in SHG lending vis-à-vis general lending are: (a) good recovery (5 out of 7 said this reason), (b)

higher demand from groups (4)¹⁵, (c) Government/ IKP support/ pressure (4), (d) SHG lending is a good business (3), (e) to promote women development/ empowerment (2), (f) increase in loan size (1). Government support, which includes Pavala Vaddi, targets, helping in recovery, etc; became an important catalyst in the growth of SHG lending.

Table – 6.1: Average figures per branch in 2003-04 and 2006-07

Indicator	Unit	2003-04	2006-07
Average totals at branch			
Total loan accounts	No.	1,223	1,499
Total advances	Rs.	21,200,000	22,250,000
Loans outstanding	Rs.	21,366,667	48,614,000
Total NPA in the branch	Rs.	2,150,000	1,400,000
Averages related to SHG transactions			
SHG loan accounts	No.	42	85
Total advances to SHGs	Rs.	482,500	6,600,000
loan outstanding to SHGs	Rs	1,222,667	8,230,800
NPA related SHGs	Rs.	13,750	87,000
SHGs as % of branch total			
SHG customers as % total customers	%	13	38
Loan accounts	%	3.4	5.7
Advances	%	2.3	29.7
Loans outstanding	%	5.7	16.9
NPA	%	0.6	6.2

Though the aggregate NPA, of SHG lending, seems to be within reasonable limit and much less than other kinds of lending, a few branches are experiencing alarming NPA levels. The cited reasons for higher NPA is faulty distribution of loan amounts among group members¹⁶, existence of men groups and MACS groups. The cited reasons for lower NPA in other branches are: (a) maturity and awareness on the part of groups (4), (b) assured next loan (4), (c) close monitoring by bank (2), (d) IKP staff help and returns from IGA (1). Close monitoring of banks include daily contact with groups, bank involvement in distribution of loan amount, going beyond MCP, etc are proving very useful in keeping down NPA. On the other hand the NPA in agriculture lending is coming down. One of the reasons for declining NPA in agriculture loans is that banks are recovering such loans under ‘Total Financial Inclusion’ (TFI) program.

As SHG lending becoming a good business, banks are focusing on SHGs. According to AGM, NABARD about 90% of profits in rural bank branches is coming from SHG lending.¹⁷ The measures taken by the banks to boost the SHG lending include: (a) increasing of loan size (3), (b) managers’ direct involvement in transaction with groups, (c) VO lending, (d) financial inclusion, etc. Banks also promptly disposing SHG lending

¹⁵ Henceforth, the figures in parenthesis after each statement indicates the number of respondents cited that statement/ reason.

¹⁶ The Indian Bank at Sernapally of Dharpally mandal has a few NPA loans. Major reason for NPA, according to the manager is, that three groups have given their loan amounts to three persons to migrate to Gulf countries. As the migrants landed in some trouble, the loan repayment got derailed.

¹⁷ AGM, NABARD - personal communication. He further said that the figure came up in one of the District Level Bankers Coordination committee meetings.

matters at the convenience of the groups¹⁸ (4), providing sanitary facilities (3), providing refreshments (2), filling the bills for members (1) and planning to introduce smart card (1). The reasons for change in bankers' approach are – (a) realization on the part of banks about potential of SHG lending, (b) NABARD's guidance and (c) Government pressure and targets.

Banks noticed significant changes in SHG members' attitude. According to bankers, now women's awareness levels have increased and they know their rights. They became bold and confident. Now they are demanding higher loans, asking for reasons for not sanctioning of demanded loan amount, proposing IGA. Women, as per bankers, became prudent in handling money, taking care of personal wellbeing, focusing on children's education, improved their style of living, etc. They are aware of bank procedures, identifying and approaching the people, who can help them and they are showing urge for development and reduce their dependence on money lenders. As per bankers, women, in the past, used to be submissive, focus on revolving fund, focus on consumption, dependent and had no vision.

The reasons for changes in women's attitude, according to the bankers, are: (a) positive approach of bank managers, (b) increased awareness level due to constant interaction with group members and other stakeholders and exposure to media, (c) increase in standard of living, (d) increased family needs, (e) access to financial resources, (f) increasing trust among the members and (g) initial gains/ success and demonstration effect of earlier larger loans. Members are also understood the importance of prompt repayment of bank loans.

Banks do face certain problems in SHG lending. They include – high work pressure¹⁹ (2), no IGA or non-productive use of loan, which increase the risks for banks (2), and unreasonable demands from the groups and targets by officials (3).

6.2. Changes at village level reflecting women's empowerment

6.2.1 Changes in transportation

The previous chapter indicates that women's mobility has increased significantly due to SHGs, particularly during last three years. Women's SHG related mobility includes visiting banks, MS office, attending trainings and exposure visits and participation in important meetings. As a result they need/ demand transport facility. During last three years the access to transport facility has increased significantly thanks to the advent of autos. Now out of 11 villages, 8 villages waiting period is less than 30 minutes. Three years ago in only four villages waiting time was less than 30 minutes. The minimum waiting period has declined from 15 to 5 minutes and maximum waiting period has declined from 8 hours to 3 hours. The simple average waiting period has declined from 138 minutes to 32 minutes during last three years. Demand from SHG members is one of the contributory factors for the growth of autos. Members themselves might have provided financial support to their sons or husbands to purchase autos.

¹⁸ According to one manager that now groups are not needed to make second visit for any particular task.

¹⁹ One manager said that though he gives different time slots to different groups, they come much earlier and demand prompt action on their application.

6.2.2. Changes in occupation structure

Cultivation, wage labor and Beedi rolling are three important livelihood sources in the sample villages. The number of people depended on each of these three have increased by 2%, 7% and 10% respectively. Higher growth of Beedi rolling suggests increase in economic status of members and families. One of the reasons for 7% of growth in wage labor is advent of APREGS. Though only 2% is the increase in the cultivators, some noticeable changes can be observed in the district and elsewhere in the state. Rich people are moving out of cultivations poor people are taking up cultivation. It was observed a few SHG members have been purchasing or taking land on lease and starting cultivation.

6.2.3. Changes in dairy

Milk collection centers have increased from 12 to 18 during last three years reflecting diffused development of dairy activity. One needs not emphasis the high correlation between dairy and SHG. However, the daily milk collection has declined from 2,170 liters to 1,870 liters. As the information was collected from key resource person, it may not accurate but as mentioned above the information is indicative information only. The possible reasons could be: (a) increased consumption of milk in the family, a important indicator of development/ wellbeing, (b) increased processing of milk at homes as Cova, Ghee, butter, etc and sale at higher price, and (c) decline of yield due to lack constant breed up gradation.

6.2.4. Changes in schools and hospitals

The number of students in government schools has increased from 3,410 to 3,440. It is observed elsewhere in the state the enrollment in government schools is declining due to poor quality of education and availability alternative schooling system. The number is also declining due to increase in number of government schools in neighboring villages. Despite these facts, the increase in number of students in government schools indicates that more and more families, particularly the poor are sending their children to the schools. Number of servicing private schools has also increased from 22 to 28 in eleven villages. Servicing schools means the schools in which the village children are studying irrespective of its location. It indicates members' interest in English medium and better quality education. Apart from other factors, members' SHG linkage might have contributed for this trend. Similarly the number of servicing private clinics has increased 56 to 68 during last three years. As mentioned above, members' SHG linkage might have also some contribution for this change.

6.2.5. Other changes

There has been significant increase in number of shops, hotels, cable connections in the sample villages during last three years. The growth rate in grocery shops, hotels and fancy shops have been 62%, 30% and 125% respectively. These changes reflect increasing purchasing power of people in general and women SHG members in particular.

Another important change observed in the villages is heavy migration to Gulf countries. During last three years, the number of migrants from sample village to other countries (Gulf) has increased from 1,040 to 1,718. This migration should be considered as positive

migration as people resort to it by choice. This migration reflects greater confidence in women to managing all household affairs including financial matters and family occupations such as cultivation. This migration also reflects easy availability of credit, including from SHGs, on reasonable terms and conditions. It was mentioned elsewhere in the text that credit from other than ‘money lenders’ grew significantly compare to that of money lenders. In fact, the share of money lenders’ in total family credit has declined by 25% points during last three years. All these factors indicate increase in credit worthiness of members/ families.

Table – 6.2: Select development indicators: Changes at eleven sample villages

Indicator	Unit	2003-04	2006-07	Growth in No.	Growth rate in %
Total households	No.		8,285		
SC households	No.		1,487		
ST Households	No.		426		
No. of village with transport of less 30 min. waiting	No.	4	8	4	100
% of Pucca houses	%	62	72		16
No. of Beedi rolling workers	No.	2,290	2,530	240	10
Agriculture labor	No.	3,650	3,920	270	7
Cultivators	No.	3,930	4,020	90	2
Families in Dairy		300	315	15	5
Milk collection centres	No.	12	18	6	50
Milk collection per day	Liters	2,170	1,870	(300)	(14)
Private servicing schools	No.	22	28	6	27
Students in Govt. schools	No.	3,410	3,440	30	1
Private servicing clinics	No.	56	68	12	21
Total grocery shops	No.	55	89	34	62
Hotels	No.	37	48	11	30
Fancy stores	No.	4	9	5	125
Cable connection	No.	1,950	3,290	1,340	69
Migration within the country	No.	157	210	53	34
Migration out of country	No.	1,040	1,718	678	65

6.3. Shop keepers observations

As discussed above, the research team interviewed one shopkeeper in every sample village. It was planned to interview largest and oldest shop in every village, irrespective of nature of the shop. All shops turnout to be provisional shops. The main purpose was to understand whether, is there any change in their sales due to SHG movement. Their responses are summarized below.

According the shopkeepers, the proportion of SC & ST in their total customers increased. One shop even shifted to SC colony. The proportion of women customers has increased from 45% to 50% during last three years. The reasons cited by shopkeepers are: (a) awareness due to SHG, (b) Higher cash flows in women’s hand, and (c) men are busy and/ or migration. The proportion of cash sales increased from 60% to 65%. Average number of people taking hand loans has declined from 18 to 14 per month. Both these

reflect higher cash flows in the hands of people/ members. The average number of people selling small quantities of their outputs has declined from 43 to 21 (Table – 6.3). The reasons cited include: (a) VO’s market interventions, (b) visit of whole sale traders from outside to the villages, (c) ability to take products to outside the village, and (d) higher cash flows due to SHG and APREGS.

Table – 6.3: Shop keepers’ observations: Changes in their sales pattern

Indicator	Unit	2003-04	2006-07
SC & ST as % of total customers	%	29	31
Cash sale as % of total sale	%	60	65
Credit sale as % of total sale	%	40	35
Proportion of women customers	%	45	50
No of people taking hand loans	No	18	14
No of people selling their output in the shop	No	43	21

The shopkeepers did observe some qualitative changes also in women customers’ purchasing pattern. Now, according to shopkeepers, women became conscious of quality and are demanding branded products. They are bargaining, asking for promotional schemes, comparing price offers of different shops and so on (Table – 6.4).

Table – 6.4: Shop keepers observations: Changes in Women’s purchasing pattern

Three years ago		Now	
Indicator	Number	Indicator	Number
No bargaining	3	Asking brands/ quality	11
No comparison	1	Asking for promotion schemes	1
No questions	4	Aware product quality	4
Not aware discount schemes	2	Bargaining	7
Not aware of brands/ quality	10	Comparison	2

Note: Frequency indicates number of shopkeepers said that point. Total shopkeepers are 12.

One disturbing trend observed by shopkeepers in sample villages is that consumption of soft drinks and liquor including country liquor has increased significantly. In fact the consumption of country liquor and soft drinks has doubled (Table – 6.5). One increasing trend noted by the research team in the field is that people are consuming mix of soft drinks and country liquor. Though this rising consumption liquor (of course mostly by men) may affect adversely women’s welfare, the program/ project did not take any action to control/ reverse this trend. The project is advised to take at least persuasive measures with other departments in the government and community/ men folk.

Table – 6.5: Shop keepers’ observations: Changes in their sales pattern

Indicator	Unit	2003-04	2006-07
Proportion of people consuming soft drinks	%	30	68
Proportion of people consuming branded liquor	%	27	39
Proportion of people consuming country liquor	%	38	67

6.4. Sarpanch/ ward members’ observations

Women get elected within their reserved quota only in the past as well as now. However, women elected members’ participation in Panchayat meetings and discussions increased significantly now compare earlier period. Elected members awareness about the role of

Panchayat and their role in Panchayat, financial issues have also increased. Elected members' ability to implement programs, negotiate and interact with others including government officials increased albeit to a small extent. Women's participation in Grama Sabha and its discussion is also increased (Table – 6.6). What is more interesting is that these positive increases occurred in more number of villages during last three years. Nizamabad leads in these positive changes. One negative increasing trend is that family members' involvement in elected members' official duties has also increased during last few years. Bodhan leads in this aspect.

Table – 6.6: Sarpanch/ ward members' observation: Women's participation in PRI

Indicator	Unit	3 years ago	Now
Attending Panchayat meetings	%	21	60
Participation in discussions	%	17	39
Women participation in Grama Sabha	%	4	19
Women participation in discussions in Grama Sabha	%	3	11
Awareness about Panchayat role	%	9	27
Awareness about finance of Panchayat	%	7	37
Involvement in implementation of programs	%	0	15
Ability to manage Panchayat funds	%	7	15
Involvement in negotiations	%	0	0
Approaching govt. offices	%	0	8
Family involvement in Panchayat	%	26	50

According to Sarpanches/ ward members that more and more members are approaching Panchayats to get resolve their problems like water supply, street lights, sanitary, etc. Another notable change is that woman's issues of concern have changes significantly during last few years. Their demands have shifted from basic amenities like water supply and roads to comfortable issues like individual sanitary latrine (ISL), street lights, lining of drainage channels, etc (Table – 6.7).

Table – 6.7: Sarpanch/ ward members' observation: Change in women's issues of concern

Three years ago		Now	
Indicator	Frequency	Indicator	Frequency
Drainage	5	Drainage	4
ISL	1	ISL	8
No problem	2	No problem	2
Roads	4	Roads	1
Street lights	1	Street lights	4
Water	10	Water	1

6.5. Money lender/ big farmers' observations

Total number of money lenders has decline significantly during last three years and number of borrowers from money lenders also declined (Table – 6.8). Major decline is observed Nizamabad division. One of the important reasons for decline of money lenders is decline in demand because of SHG lending and APREGS. Another reason is increasing trend of defaults due to unsuccessful Gulf migration. As a result money lenders are

shifting to other occupations especially to the real estate business.²⁰ Yet another reason is that successful Gulf migrants started financing their relatives' and friends' migration to Gulf States. Women as borrowers lenders as percentage of total borrowers from money lenders including big farmers has declined significantly during last three years. Apart from SHG lending, decline in women's dependence on wage employment provided big farmers could be one of the reasons. It is observed in Balkond Mandal of Nizamabad division that a few SHG members are on lending their loans to non-members. Though the demand for money lender loans has decline, the interest rates have increased slightly. Important reason is that money lenders remain the important source for larger loans. Such loans are required to go to Gulf. Apart from increasing interest rate to cover the potential risk in financing Gulf migration, the money lenders are more inclined to the SHG members' families rather than non-members families. As mentioned elsewhere in the text that the families' creditworthiness is to some extent is depending on SHG membership.

Table – 6.8: Changes in money lending in sample villages

Indicator	Unit	2003-04	2006-07
No. of money lenders	Number	450	341
Total borrowers	Number	3,690	3,320
% of Women borrowers in total	%	42	11
Interest rate per month	%	2.06	2.25

6.5.1. Changes in labor market

There is a decline in availability of wage labor for agriculture in most of sample villages. The reasons cited by money lenders/ farmers are: (a) withdrawal of women from labor market due to availability of self employment through SHG, (b) Migration of men, leaving women to take over family occupation including cultivation, (c) advent of APREGS, and (d) booming non-farm sector such as construction, etc. However, a few villages experienced increase in farm labor supply due to fragmentation of holdings and non-availability of above discussed alternatives. As a result of the decline in availability of farm labor, the wage rates have increased by more than 50% for both men and women (Table – 6.9). As result of the labor shortage and increased wage rates, farmers are resorting to mechanization, extensive use herbicide in place of manual weeding, contract labor, etc.

Table – 6.9: Changes in agriculture labor market in sample villages

Indicator	Unit	2003-04	2006-07
Number of labor families	no	3,270	2,470
Wage rate for men	Rs.	62	99
Wage rate for women	Rs.	31	48

6.6. Observations of IKP staff

The research team did interact with a few IKP staff such as CC, MBK, etc and professionals, who are helping groups such as VBK. The discussions reveal that members have matured and they are aware of their roles and responsibilities. Members are taking

²⁰ This way, some the roots for current unprecedented boom in real estate sector in the state could be traced to SHG bank linkage program.

proactive roles in attending, group, VO and MS meetings, actively involving in discussions in those meetings and payment of saving and repayment of loans, including CIF loan. The role of staff in preparation of agenda in meetings and facilitation of discussions has decreased significantly. Their role in collection of CIF also declined significantly. According to the staff and office bearers, MS meetings became more regular and members' attendance reached over 90% and members are taking active role in discussions.

The research team has participated one of the MS meetings for some time. In that meeting, the attendance was about 60% to 65%. The staff involvement in facilitating the discussion is very high. Though the staff/ office bearers indicated that there is only a negligible percentage of CIF outstanding amount is overdue, the discussion in that meetings indicates a different picture. However, the broad trends in the state suggest that the overdue amount in CIF is coming down. Apart from active involvement of the staff and federation in collection of CIF overdue, recovery of those loans in 'total financial inclusion' program is another important contributory factor for the low overdue amount.

6.10. Conclusion

Observations and experiences of bank managers, shopkeepers, money lenders/ big farmers, village level key resource persons indicate women became important players and important business partners to banks and shops. Women demanding pattern in Panchayat have changed reflecting their individual developments. The banks, shops, government offices, hospitals, ration shops, etc, started changing the interaction style with women.

Chapter – 7

ACTION AREAS

Previous 4 chapters indicate that due to persistence effort of the project the members got good loans from their groups, especially bank loans and members' awareness and interest in group functions have increased significantly. SHG loans become important loans at family level. They have grown at faster pace than all other sources and brought down regional and social inequalities. Families' creditworthiness has increased due to their association with SHGs. Families access to food, safe drinking water, and literacy programs increased significantly. As a result of positive benefits of SHG membership, family members' cooperation for SHG related matters has increased. Because of positive changes at SHG level, family level and other factors, members' empowerment, measured in terms of their awareness, access to resources, control over their resources, their involvement in decision making and mobility, has improved. Though the improvement in various empowerment indicators vary from marginal to moderate, the change could be considered as reasonable, as it occurred within short period of three years. Further the high positive change occurred in weaker sections like ST and SC. As the women empowerment is a bigger issue, there is no scope for complacent. Further, the data in fourth chapter suggest that still families are depended on money lenders for about 50% of their credit needs. The project has to do a lot to increase further the institutional credit and reorient the household level investments and financial management. Further, the passbook analysis in the 3rd chapter indicates that the groups and members are little away from the perfection. The project has to go a long way. In this chapter few action areas have been identified.

7.1. Suggestions from the field

Each of the primary stakeholder and secondary stakeholder, interviewed by the research team, suggested at least one or two measures for women empowerment. All those suggestions could be grouped into following four categories.

- 1. Awareness generation:** It includes adult literacy programs, financial literacy, awareness about group functioning, etc.
- 2. Sustainability of the program:** It include continuous bank linkage and further increase of loan size; sensitizing bank branch managers; democratization and strengthening of groups and federations functioning; monitoring of funds utilization, etc.
- 3. Livelihood promotion:** Under this important suggestions are promotion of IGA, micro-enterprises and asset creation.
- 4. Changes at family level:** A few suggestions under this category include (a) financial independence to women, entrusting women with the management of house, etc.

It is well known that the project has been taking a number of measures to address three out of four categories of above listed issues, viz. awareness generation, sustainability of the program and promotion of livelihoods. The measures include:

1. Awareness generation and promotion of best practices through CRP strategy.
2. All-round persuasion and facilitation for larger bank loans, their proper utilization and repayment.
3. Provision of services of professionals, especially bookkeepers.
4. Under livelihood promotion, measures include training in new vocations, support to get occupational diversity, promotion of investment in capital formation at household level, promotion of new micro-enterprises, and promotion of processing and marketing of household produces such as milk, agriculture produces and NTFP and so on.
5. The project is also developing links with corporate sector and bridging the gap between supply and demand for employment potential, providing social security by bringing in variety of insurance products and implementing pension program and so on.

7.2. Areas of concern

Some of the project's actions appear to be inappropriate, inadequate, devoid of focus and devoid of theoretical logic.²¹ The project apparently did precisely very little for intra-household changes. Before turning to suggestions, some problem areas have been discussed briefly below to put the suggestion in proper perspective. Some of the areas of concerns are:

7.2.1. Sliding groups' quality and ill advised weekly meetings

Recent studies in the sector in AP indicate that quality of groups is declining. E.g. the proportion of 'A' grade groups has declined from 66% in 2003-04 to about 30% in 2006-07 (APMAS. 2007). The specific areas in which the quality had a slide are: (a) regularity of meetings, (b) books updating, (c) proper accounting of group income and expenditure, (d) rotation of internal funds/ loans. To reverse the slide in these indicators, weekly meetings are being promoted under CRP strategy with missionary zeal. However, the weaker section members, like SC and ST, who have dual functions of (a) domestic and (b) productive, finding it difficult to organize/ attend weekly meetings. As mentioned in the text, the weekly meetings would increase the cost of group operations and there may not be enough demand for weekly saved amount, which may increase the potential misuse of the funds. Further, the weekly meetings do not address the basic reasons for current slide in the quality of groups or governance indicators. The basic reasons are:

1. **Banks' myopic strategy:** While sanctioning second/ subsequent loans, banks are considering groups' repayment record alone and ignoring groups governance aspects (APMAS, 2007). Though it is a short sighted measure, which may adversely affect the repayment in the long run, banks are resorting to these measures due to severe shortage of human resources in rural branches. Banks should use provisions of 'business facilitator' or 'banking correspondent' to overcome the shortage of human resources rather than resorting to short cuts. Another way is to reduce documentation processes by reducing filling up of unnecessary forms.

²¹ An adage in development literature – theory may not provide readymade solution to all the problems, but a solution devoid theoretical logic, if implemented may create bigger problems.

2. **Shortage of professionals:** Shortage of bookkeepers and other professionals at village level is another important reason for recent slide in groups' quality. As project staff is often busy with many tasks other than their core duties, they are not able to identify, train and place village level professionals in enough number for providing the needed services to the groups and VOs (APMAS, 2007a). Retention of village level professionals is another big problem. If the project able to make its field staff to focus on its core work, the current slide in groups' quality could easily be reversed.
3. **Complex accounting practices:** At the movement, each group has to maintain number of books/ section in the SAP book. Members do not know the relevance of these books and sections. They are totally depended on professional bookkeepers to write these books. Apart from shortage of professional bookkeeper, complexity of book keeping is another important reason for non-updating of books regularly.
4. **Higher interest rate on internal loan:** It is another reason for slide in groups' quality in respect to inadequate rotation of internal funds.

7.2.2. Inadequate and inappropriate awareness generation

The awareness levels of members, especially in areas of functional literacy, financial management is far from satisfactory. Though awareness generation is one of the objectives of current CRP strategy, 'internal checks and balances' for preventing misuse of groups' funds remain neglected. There are some allegations that such negligence is deliberate on the part of certain functionaries to get benefited from such flaws (APMAS, 2007).

7.2.3. Eluding PV

As mentioned elsewhere in the text, the PV is wonderful scheme, with very good potential benefits to members and banks. However, many members/ groups are yet to receive the benefit. E.g. in the current sample only 30 out of total 120 members got reimbursement of PV. It may be possible that some groups might have got reimbursement of interest under PV and the concern members may not aware of it. But the (point 3.16 of) PV – G.O. clearly says that the amount should not be retained in the group, but should be distributed among the members. One of the reasons appears to be the inability of field staff to complete the formalities because of their preoccupation with many other activities including the activities other than their core functions/ job chart. Non-provision of adequate budgetary support could be another reason. If these problems are not addressed immediately, the groups, which did not get reimbursement, may feel that they were discriminated because of their caste, religion or political affiliations and the movement may split into different groups accordingly.

7.2.4. Field staff/ project's domination over MS/ VOs

Participatory observation in one of the MS meetings, and interactions with office bearers and staff together in a couple of places clearly indicate that the staff is dominating the MS and VO functions and office bearers. Still all MS are heavily depended on the project to meet their day to day expenses including staff salaries.

7.2.5. Imposed agenda

The agenda of MSs/ VOs clearly appears not evolving from the bottom. It is being imposed from the top. The undue focus on weekly meetings is one clear example. Another example is Turmeric issue. The project has intervened in Turmeric marketing and started a processing unit. However, it could not (a) reverse the slump in the market, (b) provide remunerative price to all farmers, and (c) halt the steep decline in acreage under the crop.²²

Another pitfall of imposed agenda is that federations are reduced as delivery agents. At the moment, federations are being used for a number of service delivery purposes by secondary stakeholders such as different government departments, banks, SHG promoters, companies, and so on. The services delivered include promotion of best practices in SHGs (promoters), recovery of bad debts (banks), implementation of development projects like watersheds (Govt. departments), distribution of pensions, food and nutrition items, health awareness, etc. limitations of this delivery mechanism are:

1. Federations do not get adequately compensated for their involvement in many programs. As a result they may have to cross subsidize some of these activities causing unnecessary losses to them.
2. Federations/ SHG members may not be primary stakeholders in some of their implementing programs like watershed. In such situations SHG federations' involvement thwarts involvement of primary stakeholders and result in sub-optimum outcome/ impact.
3. As awareness and articulation levels are low in federations, they could be taken for ride by the vested interests in implementation of different development programs. A recent assessment of the impact of SHG federations' (VOs) involvement in implementation of watershed program in AP reveals that officials took full advantage of VOs' innocence.
4. Yet another serious limitation is that overwhelmed focus on delivery mechanism may cause mission drift. Inability of vast network of over 30,000 federations in AP to take up the liquor issue, which was one of their main concern a decade ago, is telling example. Another example for such drift is that while villagers are not getting adequate medical care and awareness for their basic health problems, the federations are busy with HIV/ AIDS and family planning issues.

7.2.6. Inadequate and inappropriate market interventions

The marketing data indicates, that the gross profit is 2% in 2005-06 and 2007-08 and 4% in 2006-07. If the handling charges are deducted from gross profit, the federations might have ended up with losses during last three years. The steep decline in number of beneficiaries from over 23,945 in 2005-06 to over 5,512 in 2006-07 indicates that the sellers might not find it profitable to sell their produces to federations. The isolated

²² A report in Telugu daily EENAADU, August 25, 2007, indicates that Turmeric farmers are losing heavily due to increasing cost of cultivation and stagnant output prices. According to the report introduction VAT is one of the reasons for stagnation of output prices. As a result of the losses farmers have reduced the area under this crop.

experiences suggest that a few federations have incurred losses in gross terms also and accounting process is far from perfect. According to the media reports, that the Turmeric farmers²³, in the state, have incurred losses during last three years and the acreage has declined significantly in recent years declined.

7.3. Suggestions

From the entire text in general and above discussed limitation in particular and research team's field notes the following suggestions are made for women's development and empowerment. The suggestions could be divided into two groups, viz. internal issues of the project and external issues of the project.

7.3.1. Internal issues

These issues may not be limited to Nizamabad district alone. They could be applicable to entire state.

1. **Develop village knowledge centers:** The project/ program may consider providing computers and internet facility to every VO or village and develop the VO offices into village knowledge centers. These centers could be used for different uses such as spreading of functional literacy²⁴, computerization of groups' and VO accounts, accessing market information, and a host of other information.
2. **Promote 'appropriate practices' in place of best practices:** Apart from basic issues like basic human rights, equality, honest, etc, there are no universally applicable 'best practices'. As any set of best practices are context specific, implementing of them in all contexts may not give optimum results. In fact they may become counter productive. Therefore flexibility should be given to get evolve locally suitable good practices in every context.
3. **Review the weekly meetings:** In view of above discussion, it is strongly recommended to review the weekly meeting scheme. At least, a quick study may be conducted to assertion how the scheme is working before extending it to new groups and areas.
4. **Simplify groups' accounting process:** As mentioned above that the groups are maintaining a number of books/ sections under standard accounting practice. But members found no use of all these detailed accounting practices. Even banks, which provide bulk of the funds to groups, are not interested to look at these books. Therefore, it is strongly recommended to simplify the group level book keeping. Members should be made aware of each book they are maintaining. Each member should know clearly about her cumulative saving, interest earn on her saving, her loan obligations, etc. In other words members' individual passbook should get priority and all details should be filled regularly.

²³ Turmeric is one of the project's market intervention products.

²⁴ Using Tata Consultancy Services (TCS) package, the functional literacy skills could be developed within 48 hours. TCS provide this package and necessary support to any one at free of cost, under its social responsibility program.

5. **Promote proper checks and balances:** These are essential. Proper checks and balances in use of group funds, would enthuse the members to take active role in group functions and increase the saving rate and group corpus.
6. **Free the field staff from extra-departmental works:** This is critical area for effective functioning and sustainability of the program.
7. **Free the MS and VO from staff dominance:** Though the project is committed for this transformation in principle, the office bearers in majority of federations are not in a position to take total control of their federations. As a result the process may take longer than anticipated time. However, the process could be accelerated with twofold strategy:
 - a. *Firstly, education level of a member should be made main criteria for get elected as office bearers of a federation.*
 - b. *Secondly MSs should provide with enough income sources to meet their operational costs including the staff cost. Taking up bank business facilitator role or banking correspondent role by federations could be a very good source of income to federations, especially to MS.*
5. **Mechanism to evolve agenda for federations and project from the bottom:** Though the project has provided for two way communications through video conference, progress reports and review meetings, etc, it appears that there is limited space for articulation of local problems. The plight of Turmeric farmers is one example. Therefore, it is strongly recommended to have specific and adequate spot/ space in all video-conferences, progress reports and review meetings for locally emerging problems, which also include project implementation problems. These problems should be reviewed at higher level on regular basis and they should form important part in the development agenda of the project and appropriate federations.
6. **Develop capacities of federations to trade on national commodity exchange:** This would be an effective strategy for market interventions. From this linkage, the federations could provide market intelligence to their members/ families.
7. **Clear all dues in reimbursement of PV:** This would stimulate the all members for prompt repayment of their loans and also encourage them to demand larger loans for asset creation and IGA. This would also prevent potential rift in the movement. The project is advised take a close look at PV potential adverse impact on rotation of CIF loans, internal loans and other loans from federations under federation-bank linkage program.
8. **Collaboration with NGOs/ MACS:** To increase the credit availability and to strengthen institutional development, the project may think of collaborating with prominent NGOs and existing MACS. Such collaboration may be useful in sustainability of the federations and in innovations.
9. **Though the district is successful in obtaining in large bank linkage, there appears to be existence of some problem villages.** The project may review bank linkage problem at branch level, especially the DCCBs.

7.3.2. External issues

These issues involve coordination and collaboration with other departments.

1. **Poor district level statistics:** Improve the quality of district level data/ district handbook.
2. **Focus on agriculture:** The agriculture in the district is in precarious condition. The fallow lands are more than NSA. Irrigation, especially, canal irrigation is fluctuating widely. As the migration to Gulf may halt and get reversed in the near future, the people's interest in cultivation may increase. The project may collaborate with agriculture department for comprehensive development of agriculture in the district. Agro-forestry and combination of annual crops, trees and grasses should form an important component in agriculture development. Market intelligence from NCE should be used extensively in crop planning.
3. **Health issues:** The condition of health access is far from satisfactory. Expenditure on health care has to be enhanced significantly at all levels. Each government hospital should be strengthened with adequate staff and equipments. They also should be provided with mobile clinics. These mobile units should be made to visit all the villages at least once a week. The VOs may be entrusted with monitoring and facilitating such visits in their villages. The project can also get private sector help in this work and encourage big private hospitals to run a few mobile units in their operational areas.
4. **Liquor menace:** Liquor consumption, especially the country liquor consumption has been increasing at alarming pace. As this rising consumption of liquor (of course mostly by men) may affect adversely the women's welfare, the program/ project should take at least persuasive measures with other departments in the government and community/ men folk to reduce consumption of liquor.

7.4. Conclusions

To sum up, the project has been taking number of measures to increase the members' awareness, to strengthen their institutions and to promote livelihoods. However, some of the actions appear to be inadequate, inappropriate and devoid of vision and development logic. The areas of concern include sliding groups' quality, inadequate and inappropriate awareness, tardy reimbursement of PV incentive, project's/ staff domination over federations, preoccupation of staff with extra-departmental works, defused and ineffective market interventions, etc. Two sets of suggestions are made to overcome the above limitations. First set relate to internal issues of project, which include flexibility for local initiatives, review of weekly meetings, simplification of group level accounting, freeing of field staff from extra-departmental work load and promotion of federations autonomy. To promote federations' autonomy, it is recommended to give top consideration to education level of member to get elected as office bearer of a federation. Federations may be encouraged to become bank 'business facilitators' or 'banking correspondents'. In the second set of recommendations, the project is advised to work for comprehensive development of agriculture in the district, innovations in health service delivery and persuasion measures to reduce liquor consumption.

Appendix - 1: Division wise ranks of mandals on select indicators

Mandal	% of industrial workers	Rank	Literacy rate in %	Rank	% of irrigated area	Rank	Total SHGs	Rank	Total rank
Nizamabad									
Armoor	28	1	57	2	89	3	1059	2	2.0
Balkonda	25	4	54	3	101	1	1016	3	2.8
Nizamabad	27	2	68	1	79	6	935	5	3.5
Nandipet	22	9	51	8	82	4	1240	1	5.5
Morthad	24	5	50	9	91	2	885	7	5.8
Bheemgo alone	25	3	53	5	25	12	893	6	6.5
Makloor	19	13	49	10	82	5	980	4	8.0
Navipet	20	12	53	4	55	8	721	9	8.3
Vailpoor	23	8	52	7	19	14	725	8	9.3
Kammarpally	23	7	47	12	55	9	655	12	10.0
Jakranpally	22	10	48	11	57	7	588	13	10.3
Dharpally	23	6	46	13	46	10	586	14	10.8
Dichpally	19	14	53	6	23	13	703	10	10.8
Sirikonda	21	11	45	14	41	11	663	11	11.8
Kamareddy									
Bhiknoor	18	3	54	2	47	2	738	3	2.5
Domakonda	23	2	52	3	44	3	705	4	3.0
Sadasivnagar	15	4	46	5	28	7	805	2	4.5
Kamareddy	26	1	67	1	23	9	560	9	5.0
Yellareddy	12	6	49	4	43	4	601	7	5.3
Machareddy	14	5	40	8	26	8	855	1	5.5
Lingampet	9	8	38	9	56	1	583	8	6.5
Tadwai	11	7	43	6	15	10	637	5	7.0
Gandhari	8	9	36	10	30	6	630	6	7.8
Nagireddypet	7	10	42	7	39	5	535	10	8.0
Bodhan									
Bodhan	15	3	61	1	35	6	769	4	3.5
Varni	13	5	49	6	59	2	1054	1	3.5
Yedpally	18	1	59	2	73	1	485	11	3.8
Renjal	16	2	49	5	28	7	560	8	5.5
Banswada	15	4	54	3	23	8	607	7	5.5
Kotagiri	9	7	52	4	15	9	784	3	5.8
Pitlam	9	6	42	11	37	5	737	5	6.8
Birkoor	8	9	40	12	52	3	625	6	7.5
Bichkunda	9	8	43	10	3	12	818	2	8.0
Nizamsagar	7	10	45	8	40	4	450	12	8.5
Jukkal	6	11	44	9	6	10	555	9	9.8
Madnoor	6	12	46	7	4	11	527	10	10.0

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