

Benefits through SHGs: Perception of Women in Andhra Pradesh

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Abstract:

Self-Help Groups ensure people's participation in the development process as these are the grass root level democratic institutions of rural people. Though the access to credit has been seen as a motivational factor behind the formation of SHGs, SHGs have a potential that goes beyond mere economics of loan management. An examination of various beneficial aspects obtained by women as a result of joining in SHGs is very important in order to make recommendations to ensure long run sustainability of the SHG programme. This study presents the primary data analysis and the beneficial aspects are analysed based on the personal opinion of the respondents about self-help group programme through a well structured questionnaire. The perception of the women respondents about Self-Help Group programme explains about how much SHG helped them and their family and which type of the micro finance services received by the respondents through joining in SHG. The study reveals that through joining in SHGs women were significantly benefited in all beneficial aspects.

Key words: Self-Help Group, Women, Personal Benefits.

Introduction

Self-Help Groups represents a unique approach to financial intermediation. The approach combines access to low-cost

financial services with a process of self management and development for the women who are SHG members. In India SHGs are part of a Bank Linkage Programme supported by the National Bank for Agriculture and Rural Development (NABARD). SHG bank linkage programme, involving banks, NGOs and Government agencies throughout the country SHGs are formed and supported by NGOs or (increasingly) by Government agencies. In Andhra Pradesh SHGs are linked not only to banks but also to wider development programmes such that SHGs can also be organised as community platforms from which women become active in village affairs, stand for local election or take action to address social or community issues. Thus SHGs are expected to confer many benefits, both economic and social and also in the case of individual and family. SHG programme enable women to grow their savings, to access the credit and to build the living standards of them and their families.

Need for the study

An examination of various beneficial aspects obtained by SHG women through joining in SHGs is important in order to assess the effectiveness of groups and sustainability of these groups to achieve the desired objective of the programme.

Main Objective

To study the perception of the respondents about Self-Help Group programme and it's benefits in Andhra Pradesh.

Methodology

United Andhra Pradesh is selected as the study area. A multi stage random sampling technique is used for the purpose of the study. In the first stage three districts are selected from the

three regions of united Andhra Pradesh. One district is selected from each region. In the second stage one mandal is chosen at random from each selected district. In the third stage one village is selected at random. In the fourth stage one hundred SHG women respondents (minimum four bank linkages should be completed) are selected at random from each village. Totally three hundred SHG women respondents are taken as the sample size for the purpose of the study.

Analytical Techniques

For the statistical analysis of the data pertaining to the study, major part is based on tabular analysis and Percentages. The analysis is based on the primary data. The perception of the sample respondents about various benefits collected through a well structured questionnaire. To assess the effectiveness and sustainability of SHGs in providing benefits to the respondents, the analysis is made on the indicators which include benefits of monetary, family, upliftment of the living standards and other benefits related to micro financial services.

Perception of the Respondents

In this study the perception of the women respondents about Self-Help Group programme explains about how much SHG helped them and their family and which type of the micro finance services received by the respondents through joining in SHG.

Benefit through SHGs

Sample respondents are asked to express their opinion as to membership in SHG creates which type of benefit to them. The responses of the respondents varied from one respondent to another. The table-1 indicates distribution of the respondents

by their opinion by the type of benefit received from joining in SHGs. It is noted that 64.7 per cent of the respondents opined that SHG is helped them in monetary aspect, while 20 per cent of the respondents benefited from debt related aspect which means they used the loan amount to repaid the existing loans have taken from other than SHG. Further, it is revealed that 12.7 per cent of the respondents benefited as in the case of business aspect and 2.6 per cent of the respondents opined that savings is the benefit aspect through joining in SHG.

Table-1 Distribution of the Respondents by the type of Benefit received from SHG

Name of the Benefit	Total Number of Respondents	Percentage to total
Monetary	194	64.7
Business	38	12.7
Debt Related	60	20.0
Savings	8	2.6
Total	300	100.0

Source: Primary Data.

Benefit to the Family through SHGs

The ultimate goal of the SHG programme is to eradicate the rural poverty through upliftment of women from poverty through providing financial assistance. It indicates that the upliftment of the entire households of the respondents from the poverty. The sample respondents asked to express their opinion on the actual beneficiaries in the family through SHG. The responses of the respondents varied from one to another. Table-2 is represented the distribution of the respondents by benefited persons in the family through SHGs. It is revealed that 84.7 per cent of the respondents opined that the total family is benefited through joining in SHG, followed by 6 per cent opined that only the husband of the respondent is

benefited, another 6 per cent replied only they gain benefit themselves from SHG, 2.6 per cent opined that children received the benefit and only 0.7 per cent answered that nobody in the family did get the benefit through joining in the SHG programme.

Table-2 Distribution of the Respondents by Benefited Persons through SHG in the Family

Benefited Family Members	Total Number of Respondents	Percentage to Total
Own	18	6.0
Child	8	2.6
Husband	18	6.0
Total Family	254	84.7
Nobody	2	0.7
Total	300	100.0

Source: Primary Data.

Respondents Status of upliftment through SHGs

The sample respondents asked to express their opinion on how the SHG programme is helped to them. The distribution of respondents by their status of upliftment through joining in SHGs is presented in the table-3. It is revealed that 68 per cent of the respondents opined that the SHG programme substantially helped them to develop. 31.3 per cent of the respondents answered that the SHG programme marginally provided help to their development and only 0.7 per cent opined there is no help received through SHGs to them to develop.

Table-3 Distribution of the Respondents by the Status of Upliftment through joining in SHGs

Respondents Status of Upliftment	Total Number of Respondents	Percentage to Total
Substantially	204	68.0
Marginally	94	31.3

Nil	2	0.7
Total	300	100.0

Source: Primary Data.

Personal Benefits received by the Respondents

The sample respondents asked to tell their opinion separately on the benefits received through SHG in the case of their standard of living, confidently facing financial crisis and improvement in communication skills. The distribution of respondents by their opinion on SHG helped personally in the case of standard of living, confidently facing financial crisis and improvement in communication skills are presented in the table-4. The responses from the respondents noted on the basis of the benefit of the sample respondents themselves on each benefit.

Further, it is evident that out of 300 sample respondents, 90 per cent of the respondents opined that they have improved their standard of living through joining in SHG. Out of 300 sample respondents 95 per cent of them opined that they developed the will power to face financial crisis confidently through joining in SHG. Further, out of 300 respondents 95 per cent of the respondents have improved their communication skills through SHG. Overall about 93 per cent of the sample respondents gained all round development of standard of living, facing financial crisis and communication skills through SHGs.

Table-4 Distribution of the Respondents by their Personal Benefits through SHG

Name of the Individual Benefit	Total Number of Respondents	Percentage to Total
Increase in Standard of Living	270	90.0
Confidently Facing Financial Crisis	285	95.0

Improvement in Communication Skills	285	95.0
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Source: Primary Data.

Other Benefits of Microfinance Services

SHG is not only provide the financial assistance and it also provides the other microfinance services like, insurance, old age pensions, widow pensions, pavala vaddi, abhaya hastam, educational scholarships for the children, of the respondents who were in the educational level in between 9th standard to plus two or intermediate level are eligible to receive the educational loans, bridge loans, personal loans, marketing facilities, food security and deepam scheme. The distribution of the respondents by the receiving of other microfinance services through joining in SHG is presented in the table-5. The responses from the respondents recorded on the basis of the benefit of the sample respondents through each benefit of other microfinance services.

It is evident that 70.7 per cent of the respondents utilized the SHG insurance scheme. 91.7 per cent of them benefited under pavala vaddi scheme. At present the government of Andhra Pradesh is provided loans on the basis of zero interest rate. Further, 7 per cent of the respondents received old age pensions. 63 per cent of the respondents benefited from the scheme of abhaya hastam under SHG programme. 9.7 per cent of the respondents' children benefited through education scholarships. 1.3 per cent got bridge loans. 1.7 per cent got individual loans. Only 1 per cent out of the 300 respondents utilized the marketing facilities under SHG programme. 22.3 per cent of the respondents benefited under food security. 8 per cent of the respondents benefited under widow pension scheme. Out of the total sample respondents, 12 per cent have gas connections freely under the scheme of deepam through joining in SHG.

Table-5 Distribution of the Respondents by receiving other Benefits of Microfinance Services through SHG Scheme

Name of the Scheme or Service	Total Number of Respondents	Percentage to Total
Insurance	212	70.7
Pavala Vaddi	275	91.7
Old Age Pension	21	7.0
Abhaya Hastam	189	63.0
Education Scholarship for Children	29	9.7
Bridge Loans	4	1.3
Individual Loans	5	1.7
Marketing Facilities	3	1.0
Food Security	67	22.3
Widow Pension	24	8.0
Deepam Scheme	36	12.0

Source: Primary Data.

Conclusion

The study reveals that majority of the respondents opined that through joining in SHG they have benefited monetarily and total family received the benefits. It is found that majority of the respondents developed through receiving the help substantially from SHG, improved their standard of living, developed the will power to face financial crisis confidently and improved their communication skills. Further, the sample respondents are found to be benefited through the other financial services namely insurance, old age pensions, widow pensions, pavala vaddi, abhaya hastam, educational scholarships, bridge loans, personal loans, marketing facilities, food security and deepam scheme. It is concluded that women

are benefited in all beneficial aspects through joining in SHGs in a significant manner.

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