

*Full Length Research Paper*

# **Women empowerment through micro enterprises – Role of microfinance (A study with special reference to select Mandals in W.G. District, A.P.)**

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**Self Help Group (SHG) movement in Andhra Pradesh (Tammi Raju, 2011) should be reoriented towards training women for starting micro-enterprises by providing prompt and needed amount of loans. In this era of globalization, there is a wide scope for encouraging micro-enterprises to manufacture machine tools, components of TV, radio, watches, cosmetics and even microchips of the computers and other electronic goods. Such cottage industries exist and flourish in China, Korea and Singapore. Indian women can create history if they are helped to rise to the occasion for more productive jobs and absorb surplus labour in the rural areas. This is the real women empowerment, which is not impossible.**

**Key words:** Cottage industries, empowerment, micro-enterprises, SHG, training.

## **INTRODUCTION**

Mahatma Gandhi, the Father of Nation stated that 'India lives in its villages'. Economic Development of the country is possible only through development of villages. Even today the percentage of rural population is far above the urban population as per the census 2011. As per the census, the rural population in India is sixty five per cent and urban population is thirty five per cent.

Agriculture is the main occupation for the rural people who are engaged in this age old activity as farmers and agricultural labour. It is important to note that agriculture is a seasonal activity and its operations will be in full swing for about two hundred and seventy days in a year. For the remaining part of the year, the wage earner has to remain without work and without earnings thereby rendering the maintenance of the family an uphill task. Various schemes introduced by the government to combat rural unemployment met with marginal success.

The role of Indian women is peculiar in the family. They are the custodians of family maintenance without any financial discretion. The male member of the family controls

the financial aspects in the family system leaving very little scope for women to participate in financial decision-making. During the days of seasonal unemployment in agricultural sector, she finds it very difficult to maintain the family in an orderly manner because she is totally dependent on the earnings of male members for meeting the day-to-day expenditure. Her wants, desires and ambitions are hardly materialized in the absence of adequate money available at her disposal. This situation called for providing the average Indian women with an opportunity to earn money on her own and empower herself financially.

Considering the need for women empowerment in the light of their changed role in the contemporary society, the government has introduced several schemes to provide financial freedom and earning opportunities to them. An attempt is made in this paper analyse women empowerment through micro-enterprises in West Godavari (W.G) District with help of microfinance.

## **Background**

As of 2012, 34.9 per cent of the world's population still lives below a dollar a day and 47.3 per cent below two

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dollars, there are many causes that create poverty. Recent studies suggest violence is a primary one, and that investments by Micro Finance Institutions (MFIs) before full stability is achieved have proven ineffective. All 39 countries that have suffered war (mainly civil, but also gang violence and drug wars) are statistically among the poorest nations of the world.

Microfinance can't address every cause of poverty but it can help to with a few, such as income inequality and potentially environmental overload. Evidence does exist to support development through micro lending in rural areas. For example, BRAC and Grameen activities in Bangladesh have increased income in rural areas in real terms since the 90s, from \$540 in 1990 to \$1909 in 2011, adjusted for Purchasing Power Parity. In order to understand better how microfinance can aid development we need to look at the industry, as a whole, and in particular the products MFI offer and their limitations.

## REVIEW OF LITERATURE

Loganthan and Ashokan (2006), in their Homegrown SHG model helps in addressing problems like poverty eradication and women empowerment. NABARD found that SHGs can be a tool for providing loan to the un-bankable section of the society. It started an experiment with MYRADA on SHG lending. Soon, it launched a programme to link SHG with the banks in 1992. In comparison to other sponsored credit schemes, this approach teaches the poor to manage their own money before availing loan from the bank. The programme mainstreamed with banks in 1996. The main objective of programme has been financial inclusion, by extending outreach to poor households in rural areas, making available credit services at their door step with easy and self managed access to formal financial services on a sustainable basis and in a cost-effective manner.

According to Pinky Dutta (2007) a result of the collective effort of the Indian government, banks, NGOs and SHGs, more number of rural people now have access to the benefits of the modern financial system. The SHGs –bank linkage programme is yielding promising results. Over the last 15 years, there has been a significant increase in the performance of the SHGs in terms of availing new loans, repeat loan and repaying the loan.

Santhosh Kumar (2011) conducted a study on poverty eradication mission of the State of Kerala, where it has been instrumental in facilitating the formation of women groups, micro-enterprises, provision of administrative and financial aid and monitoring the microfinance activities in the State. The present micro study about the Kudumbashree linked micro-enterprises in three panchayats of the Ernakulam district of Kerala reveals the general and economic prospects of the enterprises along with different problems confronted by micro-

entrepreneurs. It also advocates the strategies to be adopted by the enterprises, and promotional agencies to overcome the problems and survive in the competitive environment.

The study conducted by Thammi Raju (2011) in Mahaboobnagar district, focused on the knowledge level and training needs of women SHG members in the areas of breeding, feeding, health care and marketing of dairy products. The priority areas for training in dairying as perceived by women trainers of better-off and poor groups were identified to plan the capacity building programme. Most of the women of both better-off and poor group had low level of knowledge on dairying; the precursor of training needs.

Emil Mathew (2011) in his study examined the performance of tribal groups, who constitute the poorest of the poor in the microfinance programme and the economically better-off non-tribal groups in Wayanad district of Kerala. Based on the empirical data regarding various indicators of their participation, the study suggests that the socio-economic backwardness of these tribal groups prevent them from accessing sufficient loans from microfinance programme and is unable to initiate income generating activities.

Anuradha tiwari (2012) in her study makes a comparative analysis between India and Bangladesh, in terms of loan given by institutes to the customers, clientele, financial sustainability of MFIs, in order to understand how the MFI's in India are performing as against those in Bangladesh as it is considered to be the originator of Microfinance. It concluded that the Indian MFI's are more profitable and operating more efficiently than those in Bangladesh.

The study conducted by Shreedevi. S. Sardagi (2012) found that the women's empowerment would be able to develop self-esteem, confidence, realize their potential and enhance their collective bargaining power. The SHGs are a potential source to empower and institutionalize participatory leadership among the marginalized and to plan for initiative development activities. The SHGs in India have come a long way since 1992, this spread has been phenomenal. SHG-bank linkage programme and most of these groups are usually women groups. Therefore, the SHGs are successful in the empowerment of women.

According to Ramachandran (2012), micro credit is provided not only in poor countries but also in one of the world's richest countries. Among other organizations that provide micro loans in the US, Grameen Bank started its operation in New York in April 2008. Other developed countries in which micro loans is in fact gaining impetus include Israel, Russia and Ukraine where micro loans given to small business entrepreneurs are also used to overcome cultural barriers in the mainstream business society.

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### Need for the Study

Government of India has been constantly emphasizing on women development and women empowerment since independence. All the State governments and officials, concerned with women welfare and development are also putting their best efforts towards this goal. The researchers, sociologists and policy makers are conducting surveys of different nature on women empowerment from time to time and assessing the achievements of governments in uplifting women's status in Indian society. There is a marked progress in the status of women in India over a period of time. However, Indian women have remained as one of the nation's greatest untapped resources. Hence, the Government of India now wants to empower by giving more elevation to women in all sectors of life. It has realized that the neglect of women's power has been one of the root causes for backwardness of the country.

Today, Andhra Pradesh has accepted women's empowerment as one of the important tasks for economic development. The State Government has been encouraging SHGs and micro enterprises by involving more women in the rural areas. Hence, there is a need to review the performance of these SHGs and micro enterprises to stabilize and improve their operations. The present study of Empowerment of Women through Microfinance - Role of Micro Enterprises is taken with a view to analyze the operational performance of SHGs and micro enterprise and suggest steps to improve the status of women and their conditions.

### Scope of the study

The study is confined mainly to measure the degree of empowerment of women in West Godavari District. This study is a modest attempt to provide insights into the factors responsible for the success of efficiency in organizing micro enterprises and SHGs especially at

group level through collective action, which is very much needed for nation building.

### Objectives of the Study

The specific objectives of the study are as follows:

1. To present the socio-economic status of sample households of SHGs in West Godavari District.
2. To analyze the performance of SHGs and Micro Enterprises and to study their impact on employment, income and the indebtedness of members of SHGs and women empowerment.
3. To compare the progress of SHGs in urban and rural areas and to construct women empowerment index.
4. To suggest measures for strengthen the practices of SHGs and micro enterprises, and suitable steps to the policy makers for meaningful women empowerment.

### Methodology of the Study

Data is collected from both primary source and secondary sources.

**Primary data:** Primary data is mainly collected with the help of a questionnaire from micro enterprises which are located in the study area. There are 1024 micro enterprises in W.G. District, out of which 804 micro enterprises are selected for the study.

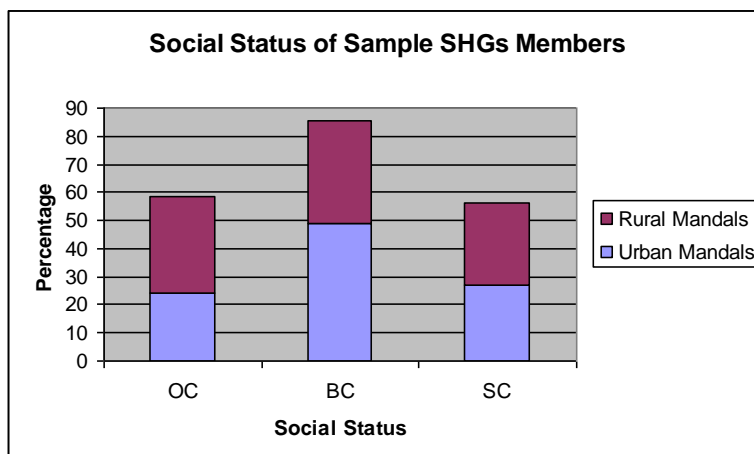
**Secondary data:** The study is also based on the secondary data to evaluate the overall performance of micro enterprises. The data was collected from DRDA of the District on the micro enterprises organized by the SHGs including petty business (either individual or collective ones). The researcher also referred various journals and magazines. Similarly data is also collected from the official records of different departments located in the Collectorate, West Godavari. Secondary data was also collected from local mahila mandal groups.

### Social Status of SHGs Members

The community has considerable bearing on the social status of the individuals, especially, in rural areas. It has indirect influence on the functioning of SHGs also. In view of this, it is felt appropriate to study the community of the household members of SHGs in the study area. All the communities in the selected area are broadly classified into open category (O.C), backward community (B.C) and schedule caste and schedule tribes (SC/ST). Sometimes, the formation of the SHGs is also made on the basis of community only. Generally, in rural areas the formation of SHGs with mix of different caste members is rare.

Figure 1 furnishes data on the communities of the selected households of the SHGs. The table shows that

Figure 1.



42.65 per cent of the total members belong to BC community. The next highest social community of the members is OC community (29.17 per cent) followed by SC/ST community (28.18 per cent). Even though the proportion of population of OC community is higher in the study area, the number of groups organized by them is comparatively less. It is so because of the better economic position of the OCs. Thus, it can be said that one of the objectives of the SHGs is fulfilled in the study area by organizing more number of SHGs with the relatively low income groups and from among weaker sections. Mandal-wise analysis also gives a similar picture that BCs are more in number both in urban and rural mandals, though the percentage of BCs are more in urban mandals (48.78 per cent) when compared to rural mandals (36.45 per cent). Interestingly, the percentage of OC communities is higher in rural mandals (33.99 per cent) than the urban mandals (24.39 per cent). The population of SC and ST members in both the mandals is almost same.

### Managerial Aspects of Women Entrepreneurship

Information has been elicited from the women entrepreneurs about their organization particularly the acquisition of raw materials, technology used, training received, workers employed and wages paid, bank-linkages, marketing including advertisement costs, and finally income and expenditure. All these aspects are important in the context of modern scientific management of an enterprise. Details about these aspects have been presented in this section.

### Types of Enterprises

Table exhibits the type of enterprises and their proportion in the selected units of the study area of the District, and it is found that about 33 per cent of the selected units are

petty business units, followed by 22.38 per cent dairying, another 14.92 per cent are kirana shops (small shops which are generally located in corner of streets), 11.19 per cent are agriculture, 9.20 per cent horticulture and about 9 per cent are tailoring units. As a matter of fact, the largest bulk of units in petty business consist of brick units, mango jelly production units, pottery, etc. In all the mandals, almost the same pattern exists. The highest percentage is petty businesses 30 per cent in urban mandals. Dairying (25 per cent) seems to be more predominant followed by kirana shops (14.63 per cent). The highest percentage is petty businesses 39.10 per cent dairying (18.81 per cent), and kirana shops (14.85 per cent) in rural mandals.

### Technology Used

Generally the question pertaining to the type of technology (modern and traditional) used in micro-enterprises is construed as applicable to manufacturing. As a matter of fact, even if it is a business unit, it can adopt modern methods of marketing, purchasing and acquiring capital and book keeping and accounting. Hence the women entrepreneurs were asked about the methods (modern and traditional) of running or organizing the enterprises.

Table 2 discloses the type of technology in the selected enterprises and their proportion. It is found that 44.78 per cent of the units reported that they used traditional technology for running their enterprises, 34.82 per cent used both traditional and modern technology and only 20.40 per cent adopted modern technology. The same pattern is observed both in urban and rural mandals.

### Training Received

If women have to be encouraged to start modern SHGs, they have to be motivated and given appropriate training

**Table 1.** Types of Enterprises and their Proportion in the Selected Units of the Study Area.

Activities	Urban Mandals		Rural Mandals		Grand Total	
	Number	Per cent	Number	Per cent	Number	Per cent
Dairy	104	26.00	76	18.81	180	22.38
Horticultural	34	8.50	40	9.90	74	9.20
Kiranshop	60	15.00	60	14.85	120	14.92
Tailoring	42	10.50	30	7.42	72	8.95
Agricultural	50	12.50	40	9.90	90	11.19
Other petty business	110	30.00	158	39.10	268	33.33
<b>Grand total</b>	<b>400</b>	<b>100.00</b>	<b>404</b>	<b>100.00</b>	<b>804</b>	<b>100.00</b>

Source: Field Survey.

**Table 2.** Type of Technology in the Selected Enterprises and their Proportion.

Adoption of Technology	Urban Mandals		Rural Mandals		Grand Total	
	Number	Per cent	Number	Per cent	Number	Per cent
Traditional	180	45.00	180	44.55	360	44.78
Modern	80	20.00	84	20.79	164	20.40
Both traditional and modern	140	35.00	140	34.65	280	34.82
<b>Total</b>	<b>400</b>	<b>100.00</b>	<b>404</b>	<b>100.00</b>	<b>804</b>	<b>100.00</b>

Source: Field Survey.

**Table 3.** Percentages of Members Undergoing Training from the Government or other Agencies.

Opinion	Urban Mandals		Rural Mandals		Grand Total	
	Number	Per cent	Number	Per cent	Number	Per cent
Yes	40	10.00	26	6.43	66	8.20
No	360	90.00	378	93.56	738	91.79
<b>Total</b>	<b>400</b>	<b>100.00</b>	<b>404</b>	<b>100.00</b>	<b>804</b>	<b>100.00</b>

Source: Field Survey.

for organization of such enterprises. Rural women are generally illiterate but in some cases they are highly motivated and entrepreneurial in nature. Such talented people have to be spotted in Indira Kranti Patham (IKP), which is being implemented with the concept of SHG. Data have been collected and presented in table number 3.

Information has been elicited from the women entrepreneurs about the training they received either from the Government or other agencies in 6.8 per cent. It is found that 91.79 per cent of the women entrepreneurs did not receive any training. The remaining 8.21 per cent of the women received same training as a part of dairying or in acquiring bank linkage. It is observed that women who

received training are more in percentage in urban mandals when compared to rural mandals.

### Acquisition of Raw material

Acquiring raw material in an economical way is the basic criterion for the success of a micro-enterprise. For a petty business, purchasing goods at the nearest market at a lower cost is the key for success. In such cases transport cost is more crucial.

It can be observed from Table 4 that almost all the entrepreneurs purchase their materials from the nearest town. For that they use autos (49 per cent) and buses

**Table 4.** Mode of Transport for Acquisition of Raw Material by the Selected Units.

Acquisition by transport	Urban Mandals		Rural Mandals		Grand Total	
	Number	Per cent	Number	Per cent	Number	Per cent
Auto from nearest town	196	49.00	198	49.00	394	49.00
Bus from nearest town	170	42.5	170	42.07	340	42.29
Own transport	14	3.5	16	3.96	30	3.73
Tractor from nearest village	20	5.0	20	4.95	40	4.98
<b>Total</b>	<b>400</b>	<b>100.00</b>	<b>404</b>	<b>100.00</b>	<b>804</b>	<b>100.00</b>

Source: Field Survey.

**Table 5.** Impact of Microfinance on Formation of Assets and Household Durables.

Type of Asset	Before SHG		After SHG		Per cent change Average No.	Per cent of change in Average value(Rs.)
	Average No.	Average Value (Rs.)	Average No.	Average Value(Rs.)		
<b>Farm Assets</b>						
Land	0.12	39988	0.14	74250	26.8	161.4
Pucca House*	0.2	11412	0.12	73300	981.0	1084.6
Semi-Pucca House*	0.8	14566	0.6	14362	-39.8	-2.4
Kutcha House*	0.10	11156	0.2	2370	-162.8	-157.6
Bullock Cart*	0.2	438	0.2	726	32.0	130.6
Plough*	0.2	184	0.2	322	76.2	150.8
Buffaloes	0.4	1354	0.4	3294	96.0	286.8
Bullocks	0.4	830	0.4	1300	20.0	112.8
Cows	0.8	1836	0.12	4390	100.0	278.0
Sheep & Goat	0.4	104	0.2	198	-62.2	180.8
Poultry	7.2	142	2.8	388	-118.4	344.8
Any Other Specify)	0.2	196	0.2	554	150.0	364.6
<b>Total</b>	<b>11.02</b>	<b>82208</b>	<b>5.58</b>	<b>175454</b>	<b>-54.0</b>	<b>226.8</b>
<b>Durable Assets</b>						
Cycle	0.12	772	0.16	1104	51.8	86.2
Radio/Tape Recorder	0.4	296	0.4	566	78.2	181.2
Mobile/ Phone	0.2	212	0.18	2230	2006.0	1903.2
TV	0.6	848	0.16	3840	362.4	705.2
Sewing Machine	0.0	20	0.2	194	1280.0	1733.4
Motor Cycle	0.0	2054	0.6	6240	1533.4	407.6
Gold/Silver	0.14	5438	2.0	12740	81.4	268.6
Others	0.2	344	0.2	18258	157.6	10394.2
<b>Total</b>	<b>1.66</b>	<b>9984</b>	<b>3.9</b>	<b>45172</b>	<b>224.2</b>	<b>704.8</b>

Source: Field Survey

Note\*: Pucca House= Pucca house is made up of brick, cement, and iron etc.;

Semi-Pucca House= Houses without RC frame (columns and beams) but with good masonry work with cement mortar and RCC/CGI Roof.

Kutcha House= Houses made of mud used for walls/roof and/or dry stone masonry,

Bullock Cart= A bullock cart or ox cart is a two-wheeled or four-wheeled vehicle pulled by oxen (draught cattle).

(42.29 per cent). In rural mandals significant number of women uses their own transport.

#### Impact of Micro-enterprises on Rural Households

Micro-enterprises run by women with bank linkages are

expected to bring a lot of social and economic changes in the rural livelihoods. Increased income of the rural poor households will have far reaching effect on income, housing, consumption, healthcare, education of children, lessening the loan burden, and so on.

An analysis of the impact of micro-enterprises on diffe-

Figure 2.

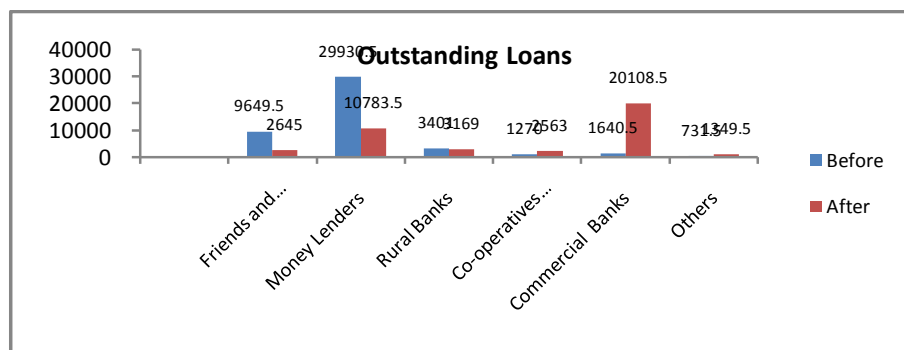


Table 6. SHG Members' Consumption Pattern on Food Items during Pre and Post Membership Period.

Particulars	Before SHG		After SHG		Per cent of Change in Total Value	
	Quantity	Value	Quantity	Value	Quantity	Value
<b>A. Food Items (Last 07 Days Value in Rs)</b>						
Cereals	3895	71052	103.14	126900	329.2	157.2
Pulses	234	23316	850.6	52952	527.0	254.2
Milk	372	16198	1989.0	35218	869.4	234.8
Tea/Coffee	-	17236	0	30040	0	148.6
Sugar	294	11390	24545.0	25158	1531.2	241.8
Vegetables	1006	44598	5470.0	80300	345.4	160.2
Non-vegetarian	296	45652	1070.6	105874	523.4	265.18
Oil	264	29636	1193.50	69478	704.2	168.8
Others	518	44870	740.6	88880	2659.7	196.2
<b>Total</b>	<b>6879</b>	<b>303948</b>	<b>35962.44</b>	<b>614800</b>	<b>7489.5</b>	<b>1886.98</b>
<b>B. Non-Food Items (One year Value in Rs)</b>						
Non-Food Items	Total Value (Rs.)	Average Value (Rs.)	Total Value (Rs.)	Average Value (Rs.)	Per cent of Change in Total Value	
Cloth	1168971.2	2908	1982440	4932	128.2	
Cosmetics	138237.6	344	243222.8	606	151.8	
Entertainment	91468	228	2877734.4	716	429.2	
Education	1306825.8	3250	2380905.4	5922	164.4	
Healthcare	1434552.6	3568	2032781	5056	83.4	
Ceremonies/Functions	736584.8	1832	1145604	2850	111.0	
Firewood/Fuel	354390.6	882	673058.6	1664	179.8	
Smoking	125592.6	312	189811	462	102.2	
Alcohol	240355	598	360640.6	898	100.0	
<b>Total</b>	<b>5596978.2</b>	<b>13924</b>	<b>92962368.8</b>	<b>23124</b>	<b>132.2</b>	

Source: Field Survey.

rent aspects of rural households is presented below.

Table 5 presents impact of microfinance on formation of assets and household durables the changes in acquisition of assets and household durables, due to increase in incomes and credit worthiness of rural households. It can be observed that the rural households give top priority for improving housing conditions and

acquisition of economic assets. There is a clear preference towards converting their houses into Pucca houses. Later they give priority to buy income generating assets like poultry, cows and buffaloes, sheep and goats. It is surprising that the rural people are preferring mobiles and phones, TV, gold and silver and bikes. Purchasing of sewing machines is also a priority in urban mandals.

**Table 7.** Impact of SHG Membership on different Aspects of Empowerment.

Variables	(out of 100)	Urban Mandals (out of 100)	Rural Mandals (out of 100)	Total Score (out of 200)
Social Empowerment	100	90	80	170
Education Empowerment	100	100	100	200
Health Empowerment	100	100	100	200
Economic Empowerment	100	100	92	192
Political Empowerment	100	57	57	114
<b>Total Score (out of 500)</b>	<b>500</b>	<b>447</b>	<b>429</b>	-

Source: Field Survey.

### Outstanding Loans

SHGs have emerged on the concept of encouraging rural poor families for saving and depositing in Banks and lending the amount to the needy members in the SHG. Later, the government in turn has granted matching amounts and thus improved credit worthiness of the members. Afterwards the government has introduced a revolutionary policy of sanctioning loans for just 3 per cent annual interest rate (Pavala Vaddi). These policy changes brought radical changes brought rural money market.

Figure-2 presents changes in the loans outstanding and the sources of borrowing before and after joining the SHG. Earlier, money markets are dominated by moneylenders. Average total borrowings are Rs.46,623. Out of this, from moneylender Rs.29,930, friends and relatives 10,359, rural bank Rs.3,401 and remaining from cooperative and commercial banks. After joining SHGs the scenario totally changed. Average total borrowings are 45,930. Out of this, from banks 20,108.50, moneylender Rs.10,783, friends and relatives 2,645, rural bank Rs.3,169 and remaining from cooperative banks.

### Impact on Consumption

In macro economics, the Engel curve describes how increases in income affect consumption. The theory explains that increase in income leads to increase in food consumption immediately and later it declines. Later non-food consumption increases.

Table 6 presents the SHG members' consumption pattern on food items during pre and post membership period. Increased incomes led to rapid growth of consumption of non-vegetarian items, oils, pulses, sugar and milk. This is by and large a welcome feature, keeping in view of the higher nutritional needs of the rural people. The percentage increases in the non-vegetarian 265.18 per cent, pulses 254 per cent, sugar 242 per cent and milk 235 per cent.

As regards, changes in non-food items, the rural people increased spending a higher amount on entertainment (429.20 per cent), education (164 per cent) and cosmetics (152 per cent). It is a little discouraging to note that there is an increase in expenditure on smoking and alcohol by about 100 per cent.

### Women Empowerment Index

One of the objectives of the paper is to construct Women Empowerment Index for the District. The methodology used in construction of the index is based on women's perception with regard to the impact of participation in SHG activities. 39 variables (parameters) have been chosen, which are classified into five groups, viz., Social Empowerment Variables (10), Educational Empowerment Variables (4), Health Empowerment Variables (6), Economic Empowerment Variables (12) and Political Empowerment Variables (7). The respondents were asked as to whether the specific impact was high, medium or higher as per their perception. The responses of 'high' here have been recorded as empowerment variables 1 have been reported high; we express that response as a percentage (60). Similarly, indices for Education, Health, Economic and political variables have been developed. Thus the total score for five sets of variables is 500.

Table 7 presents the results of Impact of SHG Membership on different Aspects of Empowerment. It can be observed from the table that urban mandals got 447 points and rural mandals got 429 points. Thus, urban mandals achieved a greater degree of women empowerment when compared to the rural mandals in the District.

### Findings

□ The rate of awareness is relatively better in urban mandals, which are nearer to urban center. There is an



improvement at a moderate level in the status of the SHG members in the family as well as in the society, indicating that empowerment of the SHG members after enrolling themselves in the SHG's study area. Mandals have helped their members to attain awareness on various socio-economic, and political issues thereby empowered them, and improved their status in the family as well as in the society.

□ One of the major problems of the micro-enterprises is marketing of the products and services. There is a continuous and constant demand for dairy and other related products, but some products like readymade garments, and jute based products etc. there is no assured market on continuous basis. Hence, it is suggested that government agencies should come forward for bulk purchase of these items. It is also suggested that mandal level, divisional level and district level fairs, exhibitions should be arranged for mutual benefits of the all the stockholders.

□ Capacity Building of the community based organization is not up to the mark and additional inputs are required to handle the Micro Finance as well as for the development of Micro-enterprises.

### Suggestions

□ The government should provide infrastructure for training of SHG members in micro-enterprise and also marketing infrastructure for marketing of the products.

□ Strong marketing network is required for effective and proper marketing of products and services of micro-enterprise linked SHGs. They need marketing support and institutional capacity to handle marketing activities independently. Multiple Enterprises development programmes are to be organized so that awareness for setting up of micro-enterprises could be attained.

□ The availability of natural resources, skills and potentiality is to be thoroughly analyzed while initiating the micro-enterprise. Concerned government official should counsel, advice and support the SHG members in this regard.

□ In-spite of the existence in group mode for more than a decade, the groups dynamics still not strong and awareness about group objectives beyond thrift and credit at member level was limited. Capacity building for the group members should be a continuous process.

□ Select a few Mandal Samakyas and support livelihood projects based on local resources and skills to promote entrepreneurship and give required confidence to groups to manage the business operations.

□ Entrepreneurial and management skills such as risk bearing, enterprise planning, product innovation, need perseverance, financial resource mobilization, production, marketing demand forecasting, cost control, HR related aspects should be properly imparted among the SHG members for commercial viability of the enterprise.

□ Encourage weekly meetings, at least at the initial stages of SHG formation so as to early grasping of group dynamics from day one of the group formation.

□ The programme should be designed taking into consideration the needs of women at the micro level. Planning for self-employment for women needs a multipronged strategy.

□ Training programmes should be prioritized and annual specific programme oriented. Different training programmes should be conducted for different nature of micro-enterprises and for different management functions.

□ Value oriented workshop for both the stakeholders and the respondents.

□ Systematic efforts are needed to impart skill development training to the groups and to motivate suitable groups to take up micro-enterprises.

□ The index value of the level of education is relatively better in rural mandals over urban mandals.

There is a lot of scope for conducting research in the microfinance and micro-enterprises area i.e., problems faced by micro enterprises, problems of Self Help Group members, difficulties faced by Government agencies in processing micro finance to the various SHGs. Besides, studies of impact of micro finance on cross sectional business activities of SHGs. Further, it is also fact that the findings of this nature of studies may vary from area to area and also over the period of time. Therefore, from time to time these studies and their findings are more useful to policy-makers in designing the schemes for the up-liftment of poor in the society.

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