

## **SHGs: An Assessment of Economic Upliftment among Schedule Caste Rural Women in Andhra Pradesh**

**Dr. RAJANI MANIKONDA**

Principal, Akshara Institute of Management and Technology, Tirupathi, Andhra Pradesh.

Mail.ID: [manikondarajani2@gmail.com](mailto:manikondarajani2@gmail.com).

### **Abstract**

The main objective of SHG-Bank Linkage programme (SBLP) is to elevate poverty by providing financial services to poor, deprived and weaker sections of the population, particularly social groups like scheduled castes. The present study explains socio-economic profile of the sample Schedule Caste (SC) women SHG members. In order to estimate the impact of SHG programme, it is necessary to study the social and economic conditions of the sample respondents. Changes in socio-economic parameters of the respondents in the study area will give an idea about the impact of SHGs on rural Schedule caste women SHG members. The study is based on primary data and applied multistage random sample method to collect the data from three districts of Andhra Pradesh. The study found out that there is a significant change in economic conditions of rural SC women in the study area during post-SHG.

Key Words: SHG, Economic empowerment, upliftment and Development.

### **Introduction**

In developing countries like India, social formation of the people who belongs to backward and weaker sections in the society is closely associated with the economic activities. Economic and social conditions are interconnected. The main objective of SHG-Bank Linkage programme (SBLP) is to elevate poverty by providing financial services to poor, deprived and weaker sections of the population, particularly social groups like scheduled castes. The present study explains socio-economic profile of the sample Schedule Caste (SC) women SHG members. In order to estimate the impact of SHG programme, it is necessary to study the social and economic conditions

of the sample respondents. Changes in socio-economic parameters of the respondents in the study area will give an idea about the impact of SHGs on rural Schedule caste tribe women SHG members.

The present study is particularly constrained to the schedule caste women. So, the socio and economic conditions of schedule caste women respondents are premeditated by analyzing the respondent's position with respect to literacy level, residential accommodation, access to civic amenities, occupation pattern, income level, family income, consumption expenditure, assets and liabilities.

Micro finance through Self-Help Groups (SHGs) have become the primary policy tool used by the post liberalization state to fulfill the credit needs of the rural poor especially women. Self-Help Group Programmes are currently being promoted as a key strategy for simultaneously dealing with both poverty alleviation and women's empowerment. The timely correction of policy measures will lead to success of the programme. In this background it is necessary to study the impact of SHGs on the changing status of SC women in backward districts of Andhra Pradesh where the programme was initiated two decades ago and it is the time to make suggestions to the existing policy with the following objectives:

#### **OBJECTIVES OF THE STUDY:**

1. To review the genesis, formation and development of microfinance and SHG's.
2. To study the impact of SHGs on socio-economic status of the rural poor SC women.
3. To study the impact of micro finance on economic upliftment in their lives of the respondents.

#### **METHODOLOGY:**

A multi stage random sample method has been used for the study. A total of 270 sample respondents have selected from three districts from Andhra Pradesh, namely, Tirupaati, Guntur and Vijayanagarm districts. Before and after the SHG information has collected to estimate economic upliftment of the rural SC women.

## Results of the Study

### 1. Social Group

The caste and social status continues to be one of the crucial drivers of poverty and inequality in India. The intensity of poverty is more among weaker sections like schedule caste. The distribution of sample respondents according to the sub castes reveals that out of total rural women respondents under the category of SCs, mala community accounted for 58.5 per cent followed by relli community 22.2 per cent and madiga at 19.3 per cent.

**Table-1**  
**Distribution of the Respondents by Sub Castes of Social Group**

| Sub castes | Total Number of Respondents | Percentage to Total |
|------------|-----------------------------|---------------------|
| Mala       | 158                         | 58.5                |
| Relli      | 60                          | 22.2                |
| Madiga     | 52                          | 19.3                |
| Total      | 270                         | 100                 |

Source: Primary data.

### 2, Age wise Distribution of Sample Respondents

The data presented in Table 2 provides insights into the distribution of sample respondents based on their years of experience as SHG members. Among SC respondents, nearly half (47 per cent) have been SHG members for more than 15 years, while 36.3 per cent fall in the 10 to 15 years bracket, and only 16.7 per cent belong to the 5 to 10 years category. This distribution demonstrates that SC respondents have predominantly been associated with SHGs for longer durations, reflecting earlier adoption and sustained participation in the programme.

**Table-2**

| <b>SHG Group age</b>  | <b>Number of Respondents</b> |
|-----------------------|------------------------------|
| <b>5 to 10 years</b>  | 45<br>(16.7)                 |
| <b>10 to 15 years</b> | 98<br>(36.3)                 |
| <b>Above 15 Years</b> | 127<br>(47.0)                |
| <b>Total</b>          | 270<br>(100.0)               |

**Source:** Primary Data.**Note:** Figures in parentheses are percentages to the total.

### 3. SHG Age wise Distribution of the Sample Respondents by Bank Linkage Pattern

Table 3 examines the number of bank linkages received by SHG members, indicating the frequency of formal credit access through the SHG-Bank Linkage Programme. The number of linkages reflects group maturity, creditworthiness, and the progressive nature of the programme where groups access increasing loan amounts through successive linkages. SC respondents dominate five linkages (43.3 per cent), followed by 54.8 have five linkages and 1.9 per cent is having six linkages.

**Table-3**

| <b>How many bank linkages do you get till now</b> | <b>SC</b>           |
|---------------------------------------------------|---------------------|
| 4.00                                              | 148 (54.8 )         |
| 5.00                                              | 117 (43.3 )         |
| 6.00                                              | 5 (1.9 )            |
| <b>Total</b>                                      | <b>270 (100.0 )</b> |

**Source:** Primary Data.**Note:** Figures in parentheses are percentages to the total.

#### 4. Linkage wise Distribution of Amount to the Sample Respondents by Bank Linkage

Table 4 presents the current bank linkage amounts received by SHG members, revealing the scale of formal credit access through the programme. The stronger SC presence in the Rs. 35,000-45,000 range (37.8 per cent), followed by 40 per cent is having Rs. 45000-55000, 15.2 per cent is having below Rs.35000 and only 7 per cent of the members having Above Rs. 55000.

**Table-4**

| Current linkage ranges | SC                  |
|------------------------|---------------------|
| Below Rs. 35000        | 41 (15.2 )          |
| Rs. 35000 to Rs. 45000 | 102 (37.8 )         |
| Rs. 45000 to Rs. 55000 | 108 (40.0 )         |
| Above Rs. 55000        | 19 (7.0 )           |
| <b>Total</b>           | <b>270 (100.0 )</b> |

**Source:** Primary Data.

**Note:** Figures in parentheses are percentages to the total.

#### 5. Distribution of the Sample Respondents by Amount of SHG Bank Loan Outstanding

Table 5 reveals outstanding loan balances, indicating repayment progress and current debt burdens. Outstanding amounts reflect both original loan sizes and repayment discipline, with lower balances suggesting either smaller loans or substantial repayment progress. The distribution at mid-ranges shows interesting variations. SC respondents dominate Rs. 15,000-30,000 outstanding at 42.6 per cent, followed by Rs. 30,000-45,000 at 23.0 per cent, The SC concentration at Rs. 15,000-30,000 outstanding (42.6 per cent) indicates fairly uniform mid-repayment positions. This consistency might reflect standard repayment schedules being followed regularly across most SC groups. The lower SC presence at both nil (7.0 per cent) and higher outstanding (23.0 per cent at Rs. 30,000-45,000) suggests SC members tend toward middle positions rather than extremes.

**Table-5**

| <b>Amount outstanding SHG</b> | <b>SC</b>           |
|-------------------------------|---------------------|
| Nil                           | 19 (7.0 )           |
| Below Rs. 5000                | 23 (8.5 )           |
| Rs. 5000 to Rs. 15000         | 41 (15.2 )          |
| Rs. 15000 to Rs. 30000        | 115 (42.6 )         |
| Rs. 30000 to Rs. 45000        | 62 (23.0 )          |
| Above Rs. 45000               | 10 (3.7 )           |
| <b>Total</b>                  | <b>270 (100.0 )</b> |

**Source:** Primary Data.**Note:** Figures in parentheses are percentages to the total.

## 6. Distribution of the Sample Respondents by Economic Activity

Table 6 examines changes in economic activity participation between pre-SHG and post-SHG situations, revealing the programme's impact on members' productive engagement. This comparison demonstrates whether SHG membership successfully transitions women from economic inactivity into income-generating pursuits. SC members achieved higher post-SHG engagement (73.3 per cent) in economic activity instead of 25.6 per cent engaged in economic activities before SHG. SC members dominated petty business post-SHG (22.2 per cent).

**Table 6**

| <b>Type of Economic Activity</b> | <b>SC Pre-SHG</b> | <b>SC Post-SHG</b> |
|----------------------------------|-------------------|--------------------|
| Agriculture                      | 29 (10.7 )        | 51 (18.9 )         |
| Dairying                         | 9 (3.3 )          | 41 (15.2 )         |
| Petty Business                   | 16 (5.9 )         | 60 (22.2 )         |
| Artisan                          | 12 (4.4 )         | 29 (10.7 )         |
| Poultry                          | 2 (0.7 )          | 11 (4.1 )          |
| Goatery                          | 1 (0.4 )          | 6 (2.2 )           |
| Total Engaged                    | 69 (25.6 )        | 198 (73.3 )        |
| No Activity                      | 201 (74.4 )       | 72 (26.7 )         |
| <b>Total</b>                     | <b>270 (100 )</b> | <b>270 (100 )</b>  |

**Source:** Primary Data.**Note:** Figures in parentheses are percentages to the total.

Still 18.2 per cent are having agriculture as their economic activity. Dairying showed impressive growth from 3.3 per cent to 15.2 per cent among SC. Followed by 10.7 is in artisan and 6.3 is having poultry and goatery.

## 7. Distribution of the Sample Respondents by Employment Days

Table 7 examines employment generation through economic activities, measuring work intensity through annual employment days. Employment levels indicate economic engagement depth and income-generating potential, with higher employment days suggesting more intensive and potentially more remunerative activities. The analysis reveals SC members achieved more dramatic employment gains in higher categories. Full employment increased from 1.5 per cent to 20.7 per cent among SC respondents—a remarkable transformation. The 182-273 days category grew from 4.4 per cent to 23.3 per cent. These gains indicate SC members economic activities generated particularly intensive employment, possibly reflecting business operations requiring daily attention.

**Table-7**

| <b>Employment Days (in Ranges)</b> | <b>SC Pre-SHG</b> | <b>SC Post-SHG</b> |
|------------------------------------|-------------------|--------------------|
| Below 91 Days                      | 20 (7.4 )         | 6 (2.2 )           |
| 91 to 182 Days                     | 29 (10.7 )        | 56 (20.7 )         |
| 182 to 273 Days                    | 12 (4.4 )         | 63 (23.3 )         |
| 273 to 365 Days                    | 4 (1.5 )          | 17 (6.3 )          |
| Full Employment                    | 4 (1.5 )          | 56 (20.7 )         |
| No Employment Days                 | 201 (74.4 )       | 72 (26.7 )         |
| <b>Total</b>                       | <b>270 (100 )</b> | <b>270 (100 )</b>  |

**Source:** Primary Data.

**Note:** Figures in parentheses are percentages to the total.

## 8. Distribution of the Sample Respondents by the Level of Monthly Income

Table 8 examines monthly income distribution changes between pre-SHG and post-SHG situations, revealing the programme's impact on members earnings and economic status. Income changes represent the ultimate test of economic interventions, as increased income directly improves living standards and poverty reduction. SC members show stronger representation in higher income categories—18.5 per cent earn Rs. 4,000-6,000, 8.1 per cent

earn Rs. 6,000-8,000 and 10.0 per cent earn above Rs. 8,000. SC concentration in higher income categories (36.6 per cent earning above Rs. 4,000) SC members economic activities generated higher returns despite similar participation rates. This might reflect SC member's business orientation about 30.3 per cent in petty business.

**Table-8**

| Monthly Income (in Ranges) | SC Pre-SHG        | SC Post-SHG       |
|----------------------------|-------------------|-------------------|
| Below Rs. 2000             | 47 (17.4 )        | 0 (0.0 )          |
| Rs. 2000 to Rs. 4000       | 20 (7.4 )         | 99 (36.7 )        |
| Rs. 4000 to Rs. 6000       | 2 (0.7 )          | 50 (18.5 )        |
| Rs. 6000 to Rs. 8000       | 0 (0.0 )          | 22 (8.1 )         |
| Above Rs. 8000             | 0 (0.0 )          | 27 (10.0 )        |
| No Income                  | 201 (74.4 )       | 72 (26.7 )        |
| <b>Total</b>               | <b>270 (100 )</b> | <b>270 (100 )</b> |

Source: Primary Data.

Note: Figures in parentheses are percentages to the total.

#### 9. Distribution of the Sample Respondents by the Level of Monthly Consumption Expenditure

Table 9 examines household consumption expenditure changes, indicating improved living standards and welfare resulting from SHG-facilitated income growth. Consumption spending reflects households ability to meet needs and enjoy better quality of life beyond mere survival. 10.7 per cent spend above Rs. 10,000. The Rs. 7,500-10,000 range shows 54.1 per cent SC and earning above Rs. 4,000 is 36.6 per cent SC.

**Table-9**

| Monthly Consumption Expenditure (in Ranges) | SC Pre-SHG        | SC Post-SHG       |
|---------------------------------------------|-------------------|-------------------|
| Below Rs. 2500                              | 37 (13.7 )        | 0 (0.0 )          |
| Rs. 2500 to Rs. 5000                        | 156 (57.8 )       | 3 (1.1 )          |
| Rs. 5000 to Rs. 7500                        | 65 (24.1 )        | 92 (34.1 )        |
| Rs. 7500 to Rs. 10,000                      | 8 (3.0 )          | 146 (54.1 )       |
| Above Rs. 10,000                            | 4 (1.5 )          | 29 (10.7 )        |
| <b>Total</b>                                | <b>270 (100 )</b> | <b>270 (100 )</b> |

Source: Primary Data.

Note: Figures in parentheses are percentages to the total.

## 10. Distribution of the Sample Respondents by the Level of Household Borrowing

Table 10 examines household debt levels, revealing the dramatic transformation in borrowing capacity and credit access accompanying SHG participation. Debt levels indicate both financial inclusion success and potential vulnerability depending on debt sustainability and utilization. The analysis shows SC members dominating higher debt categories, 12.6 per cent owe above Rs. 75,000 and 63 per cent is having the debt in between Rs.25000 to Rs. 75000.

**Table-10**

| <b>Outstanding Amount (in Ranges)</b> | <b>SC Pre-SHG</b> | <b>SC Post-SHG</b> |
|---------------------------------------|-------------------|--------------------|
| Below Rs. 25,000                      | 38 (14.1 )        | 62 (23.0 )         |
| Rs. 25,000 to Rs. 50,000              | 7 (2.6 )          | 82 (30.4 )         |
| Rs. 50,000 to Rs. 75,000              | 4 (1.5 )          | 89 (33.0 )         |
| Above Rs. 75,000                      | 0 (0.0 )          | 34 (12.6 )         |
| No Outstanding                        | 221 (81.9 )       | 3 (1.1 )           |
| <b>Total</b>                          | <b>270 (100 )</b> | <b>270 (100 )</b>  |

**Source:** Primary Data.

**Note:** Figures in parentheses are percentages to the total.

## 11. Distribution of the Sample Respondents by the Value of Assets

Table 11 examines household asset holdings, revealing wealth accumulation and economic advancement accompanying SHG participation. Asset ownership indicates long-term economic security and represents tangible poverty reduction outcomes beyond income and consumption improvements.

**Table-11**

| <b>Assets (in Ranges)</b> | <b>SC Pre-SHG</b> | <b>SC Post-SHG</b> |
|---------------------------|-------------------|--------------------|
| Below Rs. 50000           | 84 (31.1 )        | 0 (0.0 )           |
| Rs. 50000 to Rs. 250000   | 55 (20.4 )        | 46 (17.0 )         |
| Rs. 250000 to Rs. 500000  | 80 (29.6 )        | 142 (52.6 )        |
| Rs. 500000 to Rs. 750000  | 0 (0.0 )          | 44 (16.3 )         |
| Rs. 750000 to Rs. 1000000 | 0 (0.0 )          | 20 (7.4 )          |
| Above Rs. 1,000000        | 0 (0.0 )          | 18 (6.7 )          |
| No assets                 | 51 (18.9 )        | 0 (0.0 )           |
| <b>Total</b>              | <b>270 (100 )</b> | <b>270 (100 )</b>  |

**Source:** Primary Data.

**Note:** Figures in parentheses are percentages to the total.

6.7 per cent hold above Rs. 1,000,000. The Rs. 500,000-750,000 range shows 16.3 per cent SC. SC members show higher concentration in the Rs. 250,000-500,000 range (52.6 per cent), suggesting more uniform moderate asset accumulation. The pattern indicates SC households achieved consistent asset building though fewer reached exceptional wealth levels.

## Findings of the Study

1. SC members dominate the above-15-years category at 47.0 per cent indicating earlier SC adoption of the SHG programme.
2. SC members concentrate more heavily in the Rs. 1,500-3,000 range (52.2 per cent)
3. SC members dominate five linkages at 43.3 per cent.
4. Sample members show stronger representation in the Rs. 35,000-45,000 range at 37.8 per cent.
5. SC members (7.0 per cent), indicating faster complete loan clearance, while SC members concentrate in Rs. 15,000-30,000 outstanding at 42.6 per cent.
6. SC members show substantially stronger petty business engagement post-SHG at 22.2 per cent.
7. SC members achieved more dramatic full employment gains, increasing from 1.5 per cent to 20.7 per cent post-SHG.
8. SC members show higher representation in the above Rs.75,000 debt category (12.6 per cent).
9. SC members concentrate more in the Rs. 250,000-500,000 range at 52.6 per cent.

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