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**SELF-HELP GROUPS IN INDIA: A TOOL FOR  
EMPOWERING RURAL WOMEN AND ERADICATING  
POVERTY?**

**ANALYSIS OF THE SITUATION IN  
KARNATAKA STATE**

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## **Abstract**

This paper has been executed to answer if the women that join a Self-Help Group are more empowered than the ones that are not members of any group. It starts understanding that women's empowerment refers to the process by which those who have been denied the ability to make strategic life choices acquire such an ability. In order to achieve this empowerment, financial assistance is being provided to women's SHGs as a powerful instrument for poverty alleviation to increase their well-being, their access to resources and credit, their self-confidence, self-esteem and their creditability in all aspects of life. A Self-Help Group is a voluntary and self-managed group of poor women belonging to similar socio-economic conditions who save a certain amount contributing to a common fund from which small loans are given to the members for meeting their productive and emergent needs. This model emerged in the 1980s and 1990s with the support of the government of India, state governments, National Bank of Agriculture and Rural Development (NABARD), the banking sector and NGOs and it has spread in the entire country especially in rural areas where 70% of India's 1.2 billion population live without access to productive assets and financial resources, with high levels of illiteracy, inadequate health care and limited access to social services. The aim of this paper is to examine the benefits of these groups in the socio-economic development of poor rural women and analyze their empowerment status in Karnataka state. For meeting the objectives primary data was collected through a case study with a structured questionnaire and personal observations in two villages located in the districts of Mandya and Hassan. The investigation found that women from the SHG have an easier access to credits based on the philosophy of peer pressure and group savings as collateral. The empirical findings suggest that there are not major differences in the level of empowerment between members and not members. Even though women from the SHG show some improvements in the areas like decision making, mobility, and self-esteem, disparities continue in income/assets control and awareness levels.

## Table of contents

<b>Introduction .....</b>	<b>1</b>
<b>CHAPTER I: LITERATURE REVIEW .....</b>	<b>4</b>
I. EMPOWERMENT .....	4
1.1. Women empowerment .....	4
1.2. Comments' review .....	7
II. SELF-HELP GROUPS .....	8
2.1. Positive evidence .....	9
2.2. Negative evidence .....	10
<b>CHAPTER II: SELF-HELP GROUPS IN INDIA .....</b>	<b>13</b>
I. INDIA-THE SUBCONTINENT .....	13
1.1. Society .....	13
1.2. Education .....	14
1.3. Poverty .....	15
1.4. Gender .....	17
1.5. Economy .....	18
1.6. Agriculture .....	19
1.6.1. Women in agriculture .....	20
1.6.2. Women's development: the world's challenge .....	21
II. THE SELF-HELP GROUPS: THE TOOL OF INDIA FOR ERADICATING POVERTY AND EMPOWERING WOMEN .....	22
2.1. Five year plans .....	23
2.2. Origin of the groups .....	23
2.3. SHGs' models .....	24
2.4. Stages of the SHGs' creation .....	25
2.5. Characteristics of the SHGs .....	25
2.6. Importance of the SHGs .....	26
2.7. Functions of the SHGs .....	27
2.7.1. Savings .....	27
2.7.2. Internal lending .....	28
2.7.3. Discussion of problems .....	29
2.8. Rules of the SHGs .....	29

2.9. Spread of the movement .....	29
2.10. Lenders of the SHGs .....	32
2.11. Rules of lending .....	34
2.12. Advantages and disadvantages of the SHGs .....	35
2.13. Successful stories of the SHGs .....	37
2.14. Future plans of the SHGs .....	39
<b>CHAPTER III: CASE STUDY .....</b>	<b>41</b>
<b>I. THE METHOD .....</b>	<b>41</b>
1.1. Need of the study .....	44
1.2. Area of study .....	44
<b>II. METHODOLOGY .....</b>	<b>47</b>
2.1. Questionnaire .....	47
2.2. Surveys .....	48
2.3. Data Analysis .....	50
2.4. Limitations .....	50
<b>CHAPTER IV: RESULTS AND DISCUSSION .....</b>	<b>51</b>
<b>I. SURVEY FINDINGS .....</b>	<b>51</b>
1.1. Description of the sample .....	51
1.2. Common patterns .....	54
1.3. Main findings .....	54
A. General information .....	54
B. Economic situation .....	57
C. Farming information .....	57
D. Self-Help Groups .....	59
E. Women empowerment .....	62
1.4. Analysis of the findings .....	69
1.5. General observations .....	76
<b>II. QUALITATIVE ANALYSIS .....</b>	<b>76</b>
2.1. Women's stories .....	77
2.1.1. Bommanayakanahalli village .....	77
2.1.2. A Chalenahalli village .....	79
2.1.2.1. Typical life stories within the group .....	84
2.1.2.2. Things to improve .....	86

**CHAPTER V: CONCLUSIONS ..... 88**

**Bibliography ..... 95**

**Annexes ..... 102**

A. Questionnaire ..... 102

B. Semi structured questionnaire ..... 105

C. Photos of the villages..... 107

## List of tables

Table No. 1: Indian trade partners .....	19
Table No. 2: Daily salary in agricultural activities .....	21
Table No. 3: Savings of women's SHGs .....	28
Table No. 4: SHGs in India .....	31
Table No. 5: Progress of the SHG movement .....	31
Table No. 6: Region-wise savings balance per SHG .....	32
Table No. 7: Loans disbursed to SHGs .....	32
Table No. 8: Region-wise analysis during 2013-14 .....	34
Table No. 9: Advantages and disadvantages of SHG's .....	35
Table No. 10: Main information of the districts .....	46
Table No. 11: Main activities of the women .....	52
Table No. 12: Family size of the sample .....	55
Table No. 13: Average land size in the villages .....	57
Table No. 14: Livestock products' income .....	59
Table No. 15: Quantity of women's savings per week (Rs.) .....	62
Table No. 16: Decisions' taker .....	63
Table No. 17: Summary of the main findings .....	67
Table No. 18: Main differences of loans between the villages .....	70
Table No. 19: Income receiver in the households .....	72
Table No. 20: Women's working time per day .....	74
Table No. 21: Main information of the SHG .....	82



## List of figures

Figure No. 1: Women empowerment framework .....	6
Figure No. 2: Model for women empowerment through agriculture .....	7
Figure No. 3: Difference literate levels within the country .....	15
Figure No. 4: Poorest states in India .....	16
Figure No. 5: Beginning of the SHG's-BLP in India .....	24
Figure No. 6: Main benefits of the SHGs .....	27
Figure No. 7: SHG coverage .....	30
Figure No. 8: Bank loans disbursement to SHGs .....	33
Figure No. 9: SHG in dairy business .....	37
Figure No. 10: SHG in India .....	38
Figure No. 11: Map of Karnataka state .....	45
Figure No. 12: Education level of the sample .....	51
Figure No. 13: Education level of the members .....	56
Figure No. 14: Main sources of income .....	56
Figure No. 15: Main crops in the villages .....	57
Figure No. 16: Main reasons to join to the SHG .....	61
Figure No. 17: Women holding a bank account .....	63
Figure No. 18: Women's control over loans .....	71
Figure No. 19: Free time among women .....	73

## **Abbreviations and acronyms**

APMAS	Andhra Pradesh Mahila Abhivruddhi Society
BLP	Bank Linkage Program
CEDAW	Convention on the Elimination of All Forms of Discrimination against Women
CSWB	Central Social Welfare Board
DES	Department of Economics and Statistics
DRDAs	District Rural Development Agencies
DWCRA	Development of Women and Children in the Rural Areas
FAO	Food and Agriculture Organization of United Nations
GDP	Gross Domestic Product
GOI	Government of India
ICRW	International Center for Research in Women
IFPRI	International Food Policy Research Institute
IMF	International Monetary Fund
MFI	Micro Finance Institutions
MYRADA	Mysore Resettlement and Development Agency
NABARD	National Bank for Agriculture and Rural Development
NGO	Non-Governmental Organization
RIDE	Rural Institute for Development Education
RRB	Regional Rural Banks
SEWA	Self Employed Women's Association
SHARE	Society for Health Awareness and Rural Enlightenment
SHG	Self-Help Group
UN	United Nations
UNCTAD	United Nations Conference on Trade and Development
UNDP	United Nations Development Program
UNIFEM	United National Development Fund for Women
VOICE	Voluntary Operation in Community and Environment
WEAI	Women Empowerment in Agriculture Index

## INTRODUCTION

In the last decades, the concept of women empowerment has changed from welfare to equity approach by which the powerless gain control over their lives and resources to overcome external barriers (lack of health, mobility, education and awareness, status in the family, participation in decision making) and gain internal qualities such as self-awareness and self-confidence (Mathew, 2003, p. 24). In this way, women's empowerment has become a pre requisite for the socio-economic development of any community in the process of change.

In all the developing countries including India, poor rural people face with illiteracy, lack of skills, health care, etc. These are problems that cannot be tackled individually and can be solved through group efforts. Today, this collective action is known as Self-Help Groups, considered the vehicle of change for the poor, mostly for marginalized women.

The SHG is a method of organizing the poor rural women to come together to solve their problems as a group. Here, women collect their savings and put it in a bank. In return, they can access to loans with a small rate of interest with the main objective to start a micro-enterprise. It is formed with 15-20 members living in a particular locality. Thousands of poor and marginalized women in India are building their lives and societies through these groups. Indeed, this movement has become important for the financial services delivery but also for the livelihoods' promotion, community development and women's empowerment.

In India, the massive movement of these groups started during 1991-1992 when NABARD piloted the SHG-bank linkage program providing access to banking services to poor rural households, especially women. This is the indigenous model of micro-credit evolved in this country and has been widely acclaimed as a successful one. Some NGOs are the leaders in forming the groups, but also the financial service promoters are currently associated with the program as well as the government that has launched projects and schemes of savings and credit to alleviate poverty in the country. The 12th five year plan of the Indian government recognizes the importance and relevance of such groups that are useful to implement developmental schemes at the grassroots level for reaching the poor and strengthen their collective capacities.

At the national level, the growth of this movement is impressive in terms of quantity as well as loans disbursed. Notwithstanding this remarkable progress, there is a wide regional disparity. In March 2014, 64% of the total number of the SHGs were in the Southern Region while

the share of North-Eastern Region was just 3%, which can be an indicator that the program has not taken the adequate roads for achieving those women where the poverty rate is higher.

The initial idea with the creation of the SHGs was to empower women economically and socially, so they can become more confident, more assertive, and more likely to participate in family and community decisions. However, some of these groups have behaved just as “loans’ providers” without paying attention to the self-development of the members. Poor women suffer from malnutrition, illiteracy, unemployment, lack of awareness and healthcare, so how can they be empowered if they have no education, if they are not ready to take decisions, if they have no secure income and if they suffer from violence? Are the group benefits significant enough to continue with it? Why these kind of programs target women, because they are the motor of growth or because they are more financially responsible than men? With all these doubts it looks like the success of this group approach in rural women’s development sounds “too good to be true”, so there is the necessity to clarify if these groups are sustainable and if they are meeting their objectives. For this, the proposed research question that this study attempts to answer is: Are the women from a Self-Help Group more empowered than the ones that are not members of any group? Is the movement benefiting them?

Since 1991, when India became part of the global economy, it has been growing at a faster rate becoming the ninth largest economy in the world (World Bank, 2014, p. 1). However, poverty is still an issue that the government is trying to abolish. The politicians and policy makers have realized that without empowering women the development of human beings is not possible and for that the society has to recognize women as one among the social partners, provide them rights, equal education, health and allow them to participate equally in all aspects of life.

In view of the above, there is the need to explore the impact that SHGs have in poor rural women what can lead to some amendments of the different existing policies. Making a comparison of two villages, one with a SHG and another without it, the objectives of this research are to understand how the SHGs function in India; analyze the effect they have in empowering poor women; and determine the social improvements the members have had being part of the group. Even though there are a lot of studies attempting to measure empowerment making comparisons between locations or over time to demonstrate the impact of specific interventions and the implications of some policies, this study differs among them trying to go beyond the economic indicators and paying attention on the behavior and community changes that poor rural women have achieved.

This investigation was done in Karnataka state, one of the pioneers to initiate with SHG activities where the development of the linkage program is far ahead of most other states in terms of the number of groups formed as well as loans disbursed. Hence, to answer the research questions this work examines the status and impact of the SHGs based on a sample of 50 women in 2 villages of 2 districts of the state, one of them with a SHG and the other without it. For this purpose empirical data from the two districts was collected and analyzed during March and April of 2015. Secondary data published by NABARD, local official statistics, census materials, and interviews with the rural women were also considered.

The starting point of this research was the review of relevant literature about the women empowerment and Self-help Groups which can be found in chapter I. The next chapter gives the reader a general view of India, how the SHGs are formed, their main characteristics and functions and some successful examples of this movement. Later on the case study is presented showing the methodology used for the collection of primary data, as well as the questionnaire development, the study area, the sampling technique, the interview strategy, and the limitations of the study. Next in chapter IV the key findings are discussed comparing the SHG's members and non-members in order to find economic and social differences related with empowerment. Finally, conclusions and recommendations are done. With this study the reader is invited to start the discussion on these issues providing a critical view of the situation.

# CHAPTER I

## LITERATURE REVIEW

### I. EMPOWERMENT

The concept of empowerment started during the civil rights movement in the United States in 1960. Since then, it has been interpreted in different ways as a bottom-up process and an outcome; being subjective and objective, personal and collective, internal and external, global and local. Even though it is complex, today it is used in sectors such as business, social work, development, and gender equality (Berg, 2004, p. 60).

#### 1.1. Women empowerment

Gender equality is considered the milestone of development because when women and men are equal in the society, the economy and health of the family improves reducing poverty. However, women are still considered inferior than men in most countries of the world (Rowlands, 1997, p. 7).

##### o Concept

Although there is not a fixed meaning of women empowerment, it is in almost every development project. A review of the literature shows the following definitions:

*“Empowerment is more than participation in decision-making. It must also include the processes that lead people to perceive themselves as able and entitled to make decisions”* (Rowlands et al., 1997, p. 14).

For Rowlands, there are three dimensions of empowerment:

- a. **Personal:** sense of self and individual confidence and capacity
- b. **Relational:** negotiate and influence the nature of a relationship and decisions made within it
- c. **Collective:** people work together to get a better impact that each could obtain alone (Rowlands, et al., 1997, p. 15).

For Kabeer, it is a “*process by which those who have been denied the ability to make choices acquire such an ability*” (Kabeer, 1999, p. 435). For her, women empowerment has also three dimensions:

- A. **Resources:** material, social and human (pre-conditions for choice)
- B. **Agency:** becoming aware of and act upon one’s goals
- C. **Achievements:** outcomes of such choices (Kabeer et al., 1999, p. 437)

On the other hand, according to Gutierrez, women empowerment is strengthening their innate vitality through knowledge, power and experience. “*It is a sense of internal strength and confidence to face life and to influence a social process effecting their lives*” (Gutierrez, 1990, p. 149). For her, the level of empowerment can be measured with the following variables:

- i. Education
- ii. Land ownership
- iii. Control over family income
- iv. Savings
- v. Access to credit (Gutierrez et al., 1990, p. 151)

For the United Nations, women empowerment is “*the process by which women take control and ownership of their lives through expansion of their choices*”. With this, women will be able to define and overcome barriers in their lives shaping their world and environment realizing their full identity and power developing confidence in their own capacities such as:

- ✓ Decision-making power
- ✓ Access to information and resources
- ✓ Different options for making choices
- ✓ Positive thinking to make changes (United Nations, 2001).

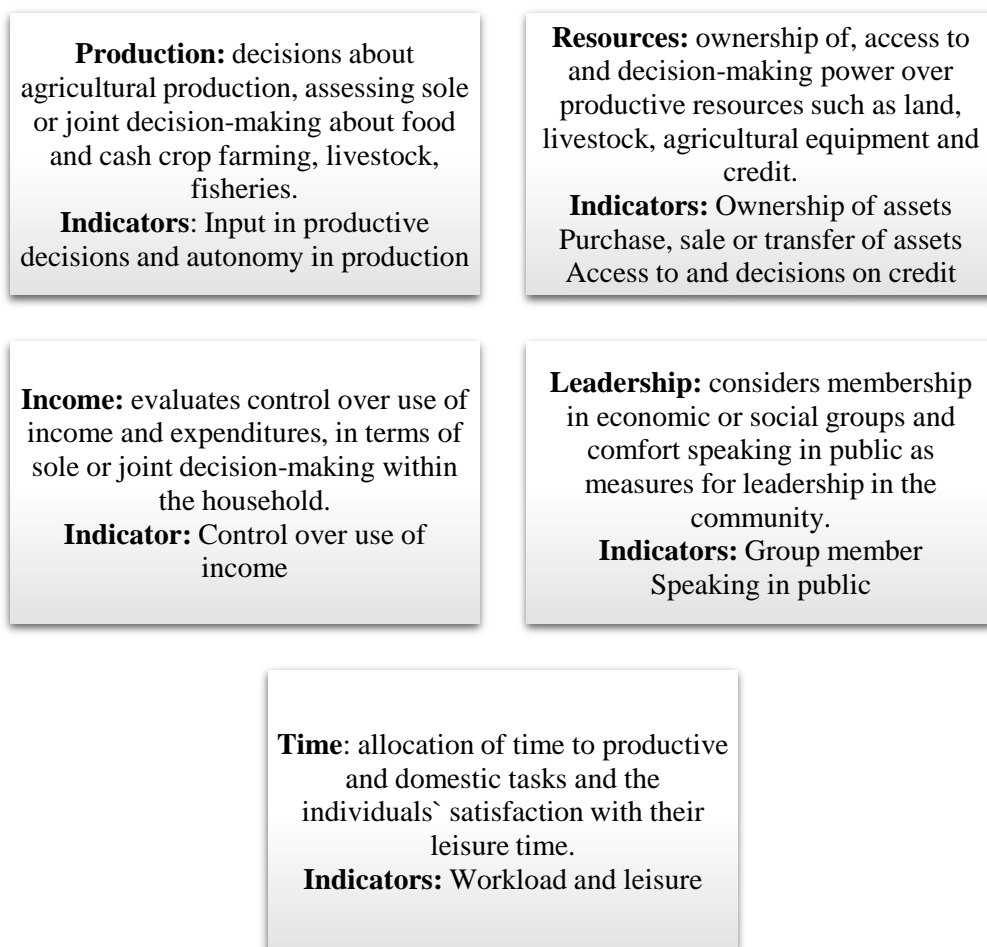
In this way, women empowerment can be considered as a tool for creating a social environment where women can take decisions and choices by themselves or collectively to transform the society thinking and act freely with equality (Hashemi, Schuler & Riley, 1996, p. 638).

According to the Government of India women empowerment means “Moving from a position of enforced powerlessness to one of power”, thus, it is a key factor for development and for improving the status and position of women in the society.

The United National Development Fund for Women (UNIFEM) considers that women empowerment is important because it develops a sense of self-worth for making changes and control one’s life creating a better social and economic environments at national and international levels.

The above explanation shows that being a multi-dimensional concept, women empowerment might not be easy to measure. For this, in 2012 the International Food Policy Research Institute (IFPRI) proposed a tool to do it at the household level. It is the Women Empowerment in Agriculture Index (WEAI) developed by Alkire and other researchers which includes the following domains:

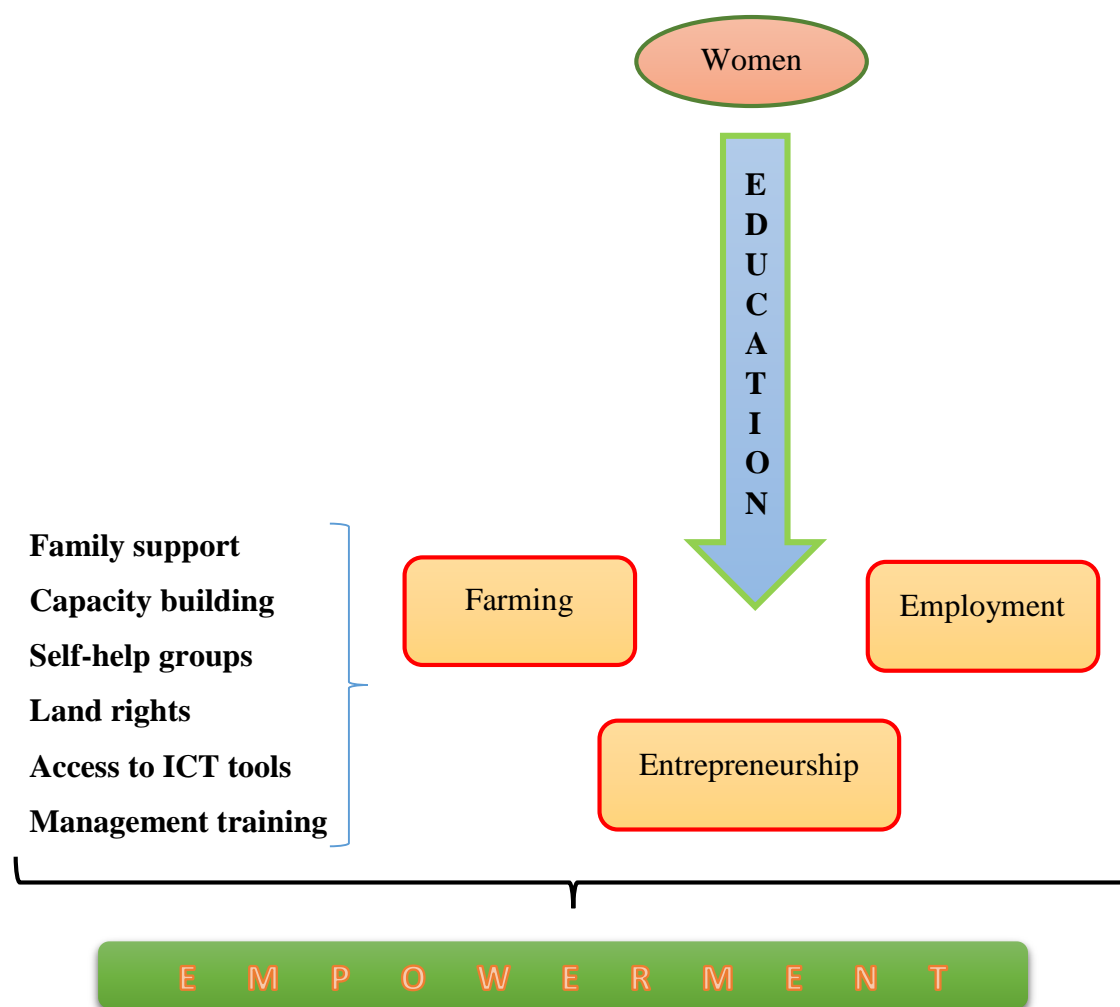
**Figure No. 1: Women empowerment framework**



Source: IFPRI, 2012, p.7



Figure No. 2: Model for women empowerment through agriculture



Source: acdivoca, 2014

## 1.2. Comments' review

Women contribute to the economy being part of businesses, farms, domestic work, being entrepreneurs, employees, and so on, and for this, the benefits of empowering them are not just for them. Studies have revealed that when women are involved and empowered the whole society improves. If their salary would be the same as men's, the economies would grow; in the United States, for example, the country's GDP would be 9% higher, in Europe, it would increase by 13%, in Japan by 16%, and in 15 major developing economies the per capita income would increase 14% by 2020 and 20% by 2030 (UNCTAD, 2015).

If all forms of discrimination against women workers were eliminated, productivity per worker could rise up to 40%. Companies with more women in

management roles have a profit 34% higher than those with the lowest representation. If women that work in agriculture in 34 developing countries had equal access to seeds, fertilizers and tools, the output would rise up to 4% (average) reducing the number of undernourished people by 17% (about 150 million) (UNDP, 2000, p. 123).

Children also get benefits when women are empowered; evidence shows that when women control more of the household income, the family's spending habits change in favor of children. A study done in 200 countries found that women with an additional year of education will reduce the child mortality by 9.5%. Moreover, when the mother can read, 50% of the babies will be more likely to survive (Jahan & Mumtaz, 1996, p. 834).

Few projects of women empowerment have met their goals and others have failed because bureaucracy, inefficiency, and corruption have wasted much of the money allocated to rural development in poor countries. Furthermore, people who are in charge of the projects do not believe in the potential that women have and for this, they are still subservient in a system that reflects women's consent in their subordination (Lopez & Zahidi, 2015, p. 11).

## **II. SELF-HELP GROUPS**

Over the last couple of decades, Self-Help Groups and their potential as a tool to alleviate poverty and empower women have gained importance and interest worldwide (Shylendra, 2006, p. 12)

### **o Concept**

Although SHGs exist without being linked to microfinance strategies, in this study a brief understanding of it is required. Robinson defines it as a “*small financial service in the form of credit and savings given to people who farm, fish or herd*”. It means, all types of financial services such as micro loans, savings and insurance provided to low-income households and enterprises (less favored sectors of society). In this context, SHGs can be considered as a model or vehicle to deliver those products and services to the poor (Robinson, 2001, p. 45). The common characteristics of the SHG based on a microfinance model are:

- ✓ Attendance of regular weekly meetings by group members
- ✓ Training in loan utilization
- ✓ Discussions about social discrimination; gender awareness; health; sanitation and education
- ✓ Contribution of fixed amounts (savings)
- ✓ Repayment of loan that members obtain (Woolcock, 2006, p. 34)

The National Bank for Agriculture and Rural Development of India stated that a SHG is a rural poor homogeneous group formed voluntarily that save an amount from their earnings and contribute to a common fund to lend to members for productive and emergent needs (NABARD, 1995).

Krishnamurthi defined it as an “*organization formed by people for pooling their resources to help each other*” (Krishnamurthi, 1996, p. 87), while Rao said that SHGs are a “*useful tool to help the poor meeting their urgent credit needs*” (Rao, 2002, p. 24).

Usually, a SHG is formed of 10-20 women who come together voluntarily for a common objective. These groups are part of the micro-level financing focus on providing access to bank credit to the neglected, underprivileged and the deprived sections of the society (Kashyap, 2001, p. 11).

They have emerged as a powerful tool to alleviate poverty, empower rural women to increase their potential and identity, bring personal, social and economic changes, facilitate their managerial abilities, and develop community value. In this way, these groups gather people who share the same needs or problems that are not being addressed by existing organizations, institutions or other types of groups (Stiglitz, 1993, p. 34). For poor people it is hard to solve their problems individually but once they are together, it becomes easier to tackle them.

## **2.1. Positive evidence**

The literature review shows that there is a mixed evidence for the empowering effect of the SHGs. It might not be sure that women improve their economic and social situation when they are members of these groups but they have an important role in

reducing the vulnerability of poor providing emergency assistance and making women confident by giving them control over assets, self-esteem and knowledge (Zaman, 2001, p. 68).

Through SHGs women can use savings and credit for economic activities increasing their incomes and assets and control them (Mayoux, 2000, p. 243). Rahman established that “*active women loaners had higher consumption standards and a role in household decision-making, either on their own or jointly with their husbands, than passive female loaners*” (Rahman, 1986, p. 102).

During the South East Asian economic crisis in 1997, the Self-Help Groups proved to be important for meeting the subsistence requirements of the poor families (ESCAP, 2002, p. 101). Besides, IFAD reported gains in self-confidence and self-esteem while women were able to articulate their needs and be respected in the household reducing violence against them (IFAD, 2010).

Self-Help Groups have facilitated the formation of social capital teaching women to work together for a common purpose (Putnam, 2000, p. 92). Little by little they have access to information and networks for developing economic activities getting links to wider movements for improving their position (Khandker, 1995, p. 198).

Besides facilitating access to financial services and offering a framework for building technical and entrepreneurial skills, these groups help to reduce dependency on expensive moneylenders by creating employment and increasing productivity. However, there are key areas of these groups that need to improve such as internal controls, accounting, organization, and others (Lalitha, 2002, p. 57).

## **2.2. Negative evidence**

Although all the positive findings of SHGs, there are also some critiques. Observations in India showed that banks prefer to borrow money to women for strategic reasons (investment and recovery) than for benefiting them. According to this study, women are more obedient and easier to discipline than men (Pitt, 1995, p. 79). On the other hand, to Mayoux, the costs for women for participating in collective action are an

increased workload and conflicts within the family, situation that is often ignored by policy-makers (Mayoux, 1995, p. 248).

Until now there are still doubts about the degree to which women keep control over loans from SHGs. A research done by Goetz and Sen Gupta in 1996 shows that a minority of women receiving credit control it. Many of them are considered “post-boxes” passing the complete amount of the loan to their husbands, sons or sons-in-law, just receiving money to pay it back. On average, only 37% of the loans are either fully or significantly controlled by women (Goetz & Sen Gupta, 1996, p. 88-90). In Bangladesh, for example, women are often unable to use loans by themselves because of the patriarchy and the rural economy systems. Usually, men are the users (control and use the loan and arrange for instalments) of more than 60% of women’s loans and around 78% of them are used for other purposes than the initial one. The authors concluded that access to loans had done little to empower women (Nagarajan, 2000, p. 269).

While the exclusion of the poorest is acknowledged in some researches, it is rarely admitted by certain NGOs and government staff. Repayment rates put pressure on women groups to exclude those that have economic problems (the poorest) (Mosley, 1996, p. 65). As the micro credit available is based on collective collateral, the groups will often exclude the very poor, who are perceived as poor credit risks with variable and low incomes (Yunus, 2002, p. 45).

A study done in Bangladesh showed that there is 18% decrease and 70% increase in violence and aggressive behavior in the households because of the women’s involvement with financial institutions. Goetz also reported an increment in tensions and domestic violence when women ask to their husbands for loan instalments (Goetz, 1996, p. 176). Nonetheless, Schuler stated that group-based credit programs can reduce men's violence by making women's lives more public (Schuler, 1996, p. 63).

On the other hand, “*even in financially successful microfinance programs, actual contribution to empowerment is often limited because most women remain confined to a narrow range of female low-income activities*”. Further, they have greater workloads and limited control over income as men keep their earnings for their own (Khandker, 1998, p. 90).

The perception is that savings and credits provided by SHGs can lead to economic self-reliance, but there are debates emerging which focus on the long-term empowerment and what really constitutes a successful one (Narayan, 2002, p. 34). Jo Rowlands mentions that the use of empowerment term has emphasis on economic and political areas assuming that when women are together they find strength and look for knowledge and social actualization (Rowlands, 1998, p. 187), but this can't be taken as a general rule.

## **CHAPTER II**

### **SELF-HELP GROUPS IN INDIA**

Since the 80's, the SHGs have become a significant movement in India in order to eradicate poverty and empower rural women. Generally these groups are based in poor villages acting as a tool for bringing economic development and contributing to community empowerment (Moeller, 1998, p. 121). This movement has been pointed by many researchers as the model that should be used for poverty reduction (IFAD, 2012). For knowing more about this, it is useful to have a look of the background of India as a country and understand why the SHGs have been considered beneficial for reducing poverty and empower women within the nation.

#### **I. INDIA-THE SUBCONTINENT**

The Republic of India is located in South Asia sharing borders with Pakistan and Afghanistan on the west and Bangladesh, Myanmar, China, Tibet, Nepal and Bhutan on the east. It has twenty nine states and seven union territories<sup>1</sup>. It is the seventh largest country by area with 3'287.263 sq. km and the second most populous with 1'267.401.849 people (17,5% of the total world population) of which 32% is urban and 68% is rural. The population density is 386 people per Km<sup>2</sup> with a population growth of 21,3% (GOI, 2015).

There are more than 2000 languages in the entire country of which the Constitution recognizes 22 being Hindi and English the official ones. 80,5% of the population is Hindi, followed by Muslims with 13,4%, among others (Sathyaprakash, 2008, p. 23).

##### **1.1. Society**

India is a hierarchical society where people are ranked according to families, clans, castes, and religions. The caste system, considered as an ancient fact of Hindu life, is a social stratification that separates communities into five groups: a) priests, academics; b) warriors, kings; c) merchants, landowners; d) commoners, peasants, servants (unskilled workers); and e) street sweepers, latrine cleaners. Some scholars argue that this system was created by the British colonial regime (Gupta, 2000, p. 2).

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<sup>1</sup> (Federal territories) type of administrative division ruled directly by the Central Government.

Over 60% of Indians, with their consent, have their marriages arranged by their parents or other family members. Marriage is thought to be for life and the divorce rate is 1,2%-13 per 1000. Child marriages are common, especially in rural areas where 33% of women get married before reaching the legal age (18 years). Almost half of all child brides worldwide live in South Asia, and 1 out of 3 are in India (UNICEF, 2014, p. 2). The median age of marriage for women in the 20–49 years age group ranges between 16.5 to 18.3 years (Indian Commission plan, 2012, p. 166). Usually, after marriage the bride leaves her house to live with her husband accepting the authority of the senior relatives, performing household duties, and taking care of children (ICRW, 2014, p. 1). Even though Indian law prohibits dowry payments since 1961, it is still common and more in rural areas where parents pay to marry their girls with cash, jewelry or household goods (Anderson, 2007, p. 98).

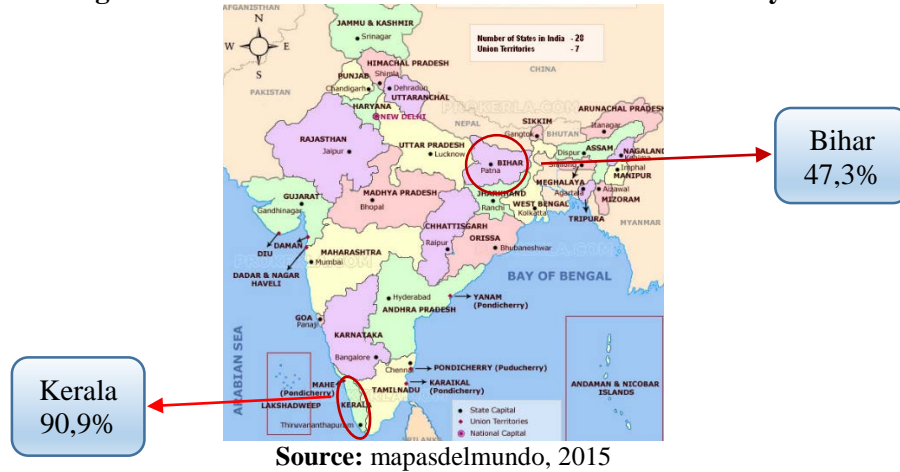
## **1.2. Education**

In 2011, the literacy rate was 74% (male: 82,14% and female: 65,46%). It has been estimated that this country will attain universal literacy in 2060 (Indiastat, 2011). The constitution of India, written over 60 years ago, guarantees that all children up to 14 years have the right of a free and compulsory education, a statement that has not yet become true (National Portal of India, 2015). The mean years of schooling of the working population (over 15 years old) increased from 4.19 years in 2000 to 5.12 years in 2010, which is below other emerging economies such as China (8.17 years) and Brazil (7.54 years) and the average for all developing countries (7.09 years). Youth literacy has increased from 60% in 1983 to 91% in 2010 and adult literacy improved from 64,8% in 2001 to 74% in 2011 (Commission planning of India, 2013, p. 47).

The difference between the highest and the lowest literacy rate in the country is high. Kerala state, in the south west, has the highest rate with 90,9%, while Bihar state, in the north east, has the lowest with 47,5%. In 2014, 3% of the Indian public funds were invested in education to improve the shortages of teachers, books, and basic facilities, but the rapid growth of the population complicates the situation and the budget is never enough (GOI, 2014).



**Figure No. 3: Difference literate levels within the country**



Education for the male gender is considered a priority within the society. Boys are favored because their value in agricultural activities is higher, and after marriage they will live with their parents and support them as they get old, while still the female population is kept away from schools because parents consider a wastage of money and time to educate them due to they will leave home after marriage. Moreover, in most of the rural areas schools are far from the village and parents do not send girls for avoiding any kind of harassment problem (Altbach, 2005, p. 211).

A study done in 2007 noted that girls are quickly overtaking boys in schools but mostly they attend to classes only for examinations. For some researchers, girls are educated to make them a better marriage material (Oxford University, 2007). While enrolment levels at the elementary school are generally high, Uttar Pradesh, Bihar, Madhya Pradesh and Jharkhand have the lowest attendance rates (below 60%) (Mrandal & Verghese, 2012, p. 48).

### 1.3. Poverty

India is home of 22% of the world's poor. Around 26% of the population lives below the poverty line (more than 300 million) with less than 1,25 USD per day. Their average daily income is less than Rs. 28,65 (46 USD cents<sup>2</sup>) in cities and Rs. 22,42 (36 USD cents) in villages (World Bank, 2013).

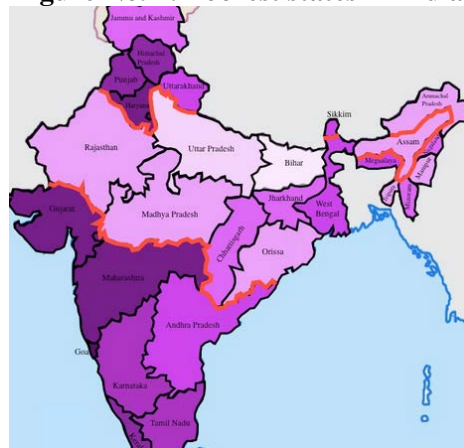
<sup>2</sup> The exchange rate used in this work is 1USD = 62 Indian Rupees

The main determinants of poverty in India are:

1. Lack of income and purchasing power
2. Increase in the price of food, especially food grains (70-80% of the consumption basket)
3. Inadequacy of social infrastructure
4. High population growth rate
5. Unequal distribution of income and resources (Deaton, 2010)

In 2005, the lowest castes and tribes accounted for 80% of poor rural people. The poorest areas in India are in Rajasthan, Madhya Pradesh, Uttar Pradesh, Bihar, Jharkhand, Orissa, Chhattisgarh and West Bengal which are semi-arid tropical regions with shortages of water and recurrent droughts (Suryanarayana, 2011, p. 34).

**Figure No. 4: Poorest states in India**



**Source:** geocurrents, 2015

According to the Global Hunger Index Report in 2012 by the International Food Research Institute, India ranks 65 in Global Hunger Index. Though this country does not have shortage of food production, it has the highest percentage of underweight children under five years (30,7%). In Madhya Pradesh, Andhra Pradesh, Bihar, Haryana, Jharkhand, Chhattisgarh, Karnataka, and Uttar Pradesh, 50% of India's population, 70% of children between six months and 5 years are anemic (Topalova, 2010, 87).

It is expected that Indian population will reach to 1.5 billion by 2026 and then, it will be the largest nation in the world where around 20 million new jobs would be required (Verma, 2011, p. 8).

## 1.4. Gender

Patriarchal norms have relegated women to secondary status within the household and workplace affecting their health, financial status, education, and political involvement. Indian legislation allows women to inherit real estate, but under the traditional Hindu law, males control family resources, such as land, and under the Muslim law, men tend to inherit twice the share of women (Gupta, 2009, p. 34).

According to the 2011 census, there are 586.47 million women representing 48,5% of the total Indian population of which 56,2% is malnourished because usually they are the last member of the household to eat and the last to receive medical attention (National Family Health survey, 2007, p. 3). This problem gets worst when men migrate because they can't provide income for the family and women remain in charge of the entire household and field (Bennett, 1993, p. 86). Bihar (45%), Chhattisgarh (43%), Madhya Pradesh (42%) and Odisha (41%) are the states with the highest proportion of undernourished women (Indian commission report, 2012, p. 199).

On the other hand, less than 45% of women have access to funds. They face barriers to access to credits because they do not have any collateral and only 15% of them have a bank or savings account (Cloke, 2010, p. 23). Women work long hours in and outside the household but their work is invisible and it is not considered as paid-wage labor. Moreover, they do not have the same freedom of mobility as men. Nowadays, two thirds of Indian women face restrictions in visiting public places (market, health care center or other communities) by their own, what limits their participation in public and political life (Kishor & Gupta, 2009).

The government has declared that "*women are equal partners like men*" bringing some changes in women's status and role in the society. Nonetheless, news of violence against them show that there is a deep-rooted gender bias. Women are living in unsatisfactory socio-economic conditions being poor and illiterate and having to sustain their family physically and emotionally. These are some of the reasons why still girls' infanticide is common in the states of Uttar Pradesh and Punjab (Porter & Gavin, 2010, p. 64). In the entire country the under-five mortality rate for girls is 64 per 1000 live births and 55 per 1000 live births for boys (Indian census, 2011).

From 1993–94 to 2009–10 women’s participation in the labor force decreased from 36,8% to 26,1% in rural areas and from 17% to 13,8% in urban areas. India’s Gender Inequality Index value of 0.617 in 2011 places the country at 129 among 149 countries globally what shows the high gender inequality with no equal opportunities for women and men (Indian Commission plan, 2012, 166).

## **1.5. Economy**

India is one of the world's fastest-growing economies. Until 1991, it followed protectionist policies but a balance of payments crisis forced the nation to liberalize its economy, and since then, it has been directed towards a free-market with special attention to foreign trade and direct investment (Kishor, 2009, p. 15).

According to the International Monetary Fund (IMF), 2014, the Indian economy is the 10th-largest economy by market exchange rates, and the third-largest by purchasing power parity. Its average annual GDP growth rate has been 5,8% over the past two decades, reaching to 6,1% during 2011–2012. The service sector contributes with 55,6% to the GDP, the industrial sector with 26,3% and the agricultural sector with 18,1%. In 2014, the GDP per capita was 1627 USD, higher than in 2013 (1508 USD) and it is estimated to increase to 2110 USD by 2016 with an average growth of 8%, which will make India the world's fastest-growing economy until 2050 (World Bank, 2014).

However, since the economic liberalization, economic inequality between the country’s states has also grown. The per capita net state domestic product of the richest states in 2007 was 3.2 times that of the poorest. In 2012, for example, Goa state (south west) was the richest getting around Rs. 192.652 (3107,29 USD) per capita while Bihar was the poorest with Rs. 23.435 (378 USD) (UN data, 2013).

In 2011, India was the world's tenth-largest importer and the nineteenth-largest exporter. Its main industries are: textiles, telecommunications, pharmaceuticals, biotechnology, food processing, steel, and software. Its major exportations include petroleum products, textile goods, jewelry, software, engineering goods, and chemicals, and its main importations include crude oil, machinery, gems, fertilizers, and chemicals (Trade maps, 2015).

**Table No. 1: Indian trade partners**

No.	Importers	Exported value USD	Exporters	Imported value USD
<b>2014</b>				
1	United States of America	42'684.740	China	58'230.543
2	United Arab Emirates	32'919.602	Saudi Arabia	32'703.510
3	China	13'434.251	United Arab Emirates	27'287.867

Source: Trade maps

In 2014 the main exportation partners of India were the United States of America, the United Arab Emirates and China buying mainly petroleum oils, diamonds, medicament mixtures, and cotton. On the other hand, India's main importation partners were China, Saudi Arabia and United Arab Emirates selling mainly crude petroleum, precious & semi-precious stones, and electrical equipment (Trade maps et al., 2015).

## 1.6. Agriculture

Around three-fourths of Indians people live in some 500.000 villages where agriculture is the main source of income. These places have fewer than 1000 inhabitants, but some have as many as 5000 people (Mayer & Ziaian, 2010, p. 45). Agriculture is vital in its economy because it determines the life standard of more than 50% of its population and over 70% of the rural households depend on it as their principal mean of livelihood (Rangan, 2012, p. 45).

The average farm size is 1.5 hectares. In 1947, the land reforms redistributed land to poor farmers and now the government is working to encourage farm expansions, but real estate continues to be divided into even smaller units due to customary and succession laws what limits the use of mechanized farming techniques (Indiastat et al., 2011). Out of the 138 million farm holdings in the country, 117 million are small and marginal (84,8%) (NABARD, 2012, p. 4).

India has as much usable farmland as the European Union: 180 million hectares, of which 140 million are planted (60% of the total land area) (Agarwal, 2013, p. 23). The Indus and Brahmaputra regions in the north traversed by the Ganges River and graced by the monsoons<sup>3</sup> are the country's most fertile regions where most of the agricultural

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<sup>3</sup> Wind that carries heavy rains

production takes place, mainly sugar cane and wheat. Precipitation falls from June to September and its intensity determines the production levels for the year (Farmer's portal India, 2015). The main agricultural products are:

- **Rice:** the most important food crop covering about one third of total cultivated area and providing food for more than half of the population
- **Wheat:** staple food particularly in the north and north-western regions
- **Millets:** consumed by poor people as staple food (jawar, bajra and ragi)
- **Sugarcane:** India is the 2nd largest producer in the world after Brazil
- **Others:** cotton and oilseeds (Ministry of Agriculture, 2014)

India has emerged as the first in the world in the production of milk, pulses, jute and jute-like fibres; second in rice, wheat, sugarcane, groundnut, vegetables, fruits and cotton production and is a leading producer of spices and plantation crops as well as livestock, fisheries and poultry (NABARD, 2013, p. 17). Nonetheless, it faces some problems such as supply channel bottlenecks, lack of marketing and proper storage channels that leads to inconvenient because when the productivity is good, there are poor agricultural exports (low quality) and a high wastage of food grains (Sharma & Rao, 2010).

### **1.6.1. Women in agriculture**

Food and Agriculture Organization (FAO) estimates that women produce between 60-80% of the food in most developing countries and are responsible for half of the world's food production. In India, 79% of rural female workers are engaged in agriculture. Although this sector can be an important engine of growth and poverty reduction, it is underperforming mainly because women, who are often an important resource, face constraints that reduce their productivity (FAO, 2013, p. 12).

Women manage the farm work but they are not considered farmers; they work in the field mainly in planting, sowing, and weeding but they are not landowners; they harvest and process but they do not control the market and income; and they typically work 16 hours per day in paid and unpaid labor with no leisure time (Prasad, 2005, p. 123). Despite this vital contribution, they do not own

productive assets (land, livestock, fisheries, technologies, credit, finance, markets) and experience gender differentials in wages (Choudhary & Parthasarathy, 2007, p. 60). According to FAO, women in India own less than 10% of agricultural land and even when they are the owners, they do not control it (UN India, 2014, p. 11). Also, the female hourly wage rates in agriculture vary from 30%-50% of the male rates. The chart below shows the difference in the earning pattern where men's wages are higher in all employment categories:

**Table No. 2: Daily salary in agricultural activities**

No.	Activity	Salary (Indian Rs./day)			
		Women	USD	Men	USD
1	Ploughing	27,91	0,45	39,09	0,63
2	Sowing	32,73	0,53	41,81	0,67
3	Transplanting	28,37	0,46	38,78	0,63
4	Weeding	29,22	0,47	39,15	0,63
5	Harvesting	25,74	0,42	34,68	0,56
6	Animal husbandry	55,73	0,90	57,74	0,93
7	Fisheries	27,96	0,45	42,64	0,69

**Source:** (Desai, Dubey, Joshi, Sen & Shariff, 2010, p. 16).

A general model in India and in the entire world is that the poorer the area, the higher the contribution of women mainly as subsistence farmers working small pieces of land (less than 0.2ha) (Kelkar & Nathan, 1991, p. 35).

### **1.6.2. Women's development: the world's challenge**

United Nations committed to work for the empowerment of women in the International Conference on Population and Development in Cairo in 1994 and later on in the Social Summit in Copenhagen in 1995. In the same year, this commitment came into an action plan at the Fourth World Conference on Women in Beijing where the governments recognized the right of freedom of thought, conscience, religion and belief of women to develop their full potential in society and shape their lives according to their aspirations (Datta & Gailey, 2012, p. 63).

In 2000, 189 countries of the United Nations stated 8 millennium goals with the purpose of achieving development in the world. Among these, the third one is related with the empowerment of women looking for reducing indicators of disparity by 2015, promoting gender equality and empowering women through wage employment and political participation (Shelton & John, 2006, p. 230).

Universalizing women empowerment has been important because it contributes to reduce the population growth and child mortality; improves nutrition, hygiene and health of households, children's performance in schools; allocation of household resources; and contributes to the economic growth in general (Seth, 2001, p. 128). However, gender bias, discrimination, confinement of women to the private place, restrictions on their mobility, poor access to health services, nutrition, education and employment, disparities in available opportunities, and exclusion from the public and political spheres are still some of the main barriers for women empowerment/development across the world (United Nations, 2012).

## **II. THE SELF-HELP GROUPS: THE TOOL OF INDIA TO ERADICATE POVERTY AND EMPOWER WOMEN**

In India, the SHGs are village-based organizations that focus on building the savings and credit, as well as the social empowerment of their members. A typical group has 10-20 poor women sharing similar socio-economic backgrounds who meet once a week to pool savings and discuss issues of mutual importance. The fund is deposited in the group's bank account which is available for providing credit to the members in need. One of their objectives is to improve community issues such as the abuse of women, alcoholism, the dowry system, educational quality, and inadequate infrastructure (Chen, 2007, p. 18).

Since independence in 1947, there have been some changes in policy approaches from the concept of 'welfare' till the 70's to 'development' in the 80's and now to 'empowerment' where the SHGs play an important role for improving poor's people life (Dennis & Gallupe, 2002, p. 4). From the First Five Year plan (1951-56) the alleviation of poverty has been one of the objectives of the government of India who has launched some employment and income generation schemes for women in rural areas to provide a source of income, sustain livelihoods, and eradicate poverty (National portal of India, 2015). Within these schemes, the SHGs have been related with microfinance to improve the living standards of the poor people, strengthen their productive potential, and provide opportunities for being part of the economic process (United Nations, 2001, p. 34-36).



## **2.1. Five year plans**

The five year plans of India started in 1947 with the main objective of achieving social and economic development after the Independence. The SHGs were included in the ninth plan (1997-2002) to empower women as active agents for social change and development. The strategy was to shift from an individual beneficiary to a group approach, creating an environment where women can exercise their rights as equal partners with men, increase their decision making and empower them with the necessary skills to become economically independent and self-reliant (Planning Commission of India, 2010).

Nevertheless, after more than 65 years of planning, 26,1% of the Indian population still lives below the poverty line. The schemes have started and closed without any remarkable change for women, especially the rural ones (Larence, 2013, p. 29). One of the main critiques to these plans is that training, when done, is provided as an isolated input without involving women for recognizing their opportunities to diversify their incomes (Karmakar, 2009). Now, the twelfth plan is currently underway (2012-2017) and the government intends to reduce poverty by 10%. For overcoming the previous critiques, its main goal is to develop women's skills from traditional to emerging ones (technicians, electricians, plumbers, drivers, etc.) (GOI, 2013).

## **2.2. Origin of the groups**

In 1982, the government of India launched the Development of Women and Children in the Rural Areas (DWCRA) program that started in 50 districts (all over the country) on a pilot basis. The main objective was to improve the socio-economic status of the poor women in the rural areas through creation of groups for income-generating activities encouraging the saving habit and collective action (Parpart, 2002, p. 56). In the mid-80's, the SHGs were piloted by NGOs, notably MYRADA, to provide financial services to the poor (IFAD, 2006, p, 7).

**Figure No. 5: Beginning of the SHG's-BLP in India**



Source: mapsfindia, 2015

In 1991, NABARD promoted this movement on a large scale launching a pilot project for linking the existing groups (500) with the banks allowing them to lend to the SHGs without any collateral, and since then, this is known as the Indian microfinance model (Montgomery & Hulme, 1996, p. 207). The linkage program started in Gujarat, Maharashtra, Andhra Pradesh, Rajasthan, Tamil Nadu and Kerala states and nowadays, it has expanded into one of the world's largest micro-finance networks (Chakrabarti & Ravi, 2011, p. 156).

The main promoters of the SHGs are the government of India, the National Bank of Agriculture and Rural Development and the NGOs that have an advantage in reaching the poor due to their proximity, the trust they generate working in the area, flexibility in approach, and cost effectiveness reasons. In 2014, nearly 600 banks like the Bank of Maharashtra, State Bank of India, Cooperative Banks, Regional rural banks, the Government institutions and more than 3024 NGOs were involved in the promotion of SHGs (Center for social research in India, 2014). However, their action is weak in some of the poorest states of the country where there is a lack of spirit of cooperation and collaboration (GOI, 2010).

### 2.3. SHGs' models

There are three main models that the SHGs can follow according to their needs, desire and availability, and they are:

- i. **Bank-SHG members:** the bank acts as a SHG promoting institution. It deals directly with the groups, opens accounts, and provides financial assistance and loans with a credit rate that is decided with the members.
- ii. **Bank-facilitating agency-SHG members:** NGOs, government agencies, or other community-based organizations form the groups acting as facilitators. They nurture them and provide training about thrift and credit management. Banks give loans directly to the groups (they decide the credit rates) and open saving accounts. This is the most successful and popular model in India.
- iii. **Bank-NGO-MFI-SHG members:** NGOs act as facilitators and microfinance intermediaries. First they promote the creation of the groups, nurture and train them, and then they approach to the banks for loan assistance for lending to the SHGs (Asokan, 2005).

## 2.4. Stages of the SHGs' creation

In order to clarify the steps to be followed in the creation of SHGs, NABARD has developed a manual with the following phases:

- a. **First:** social mobilization and formation of groups. Link people with mutual affinities (similar experience of poverty, living conditions, livelihood, caste, place of origin, etc.). This process normally takes 5-6 months. Once it is formed, it takes around 1-one and a half years to settle.
- b. **Second:** savings and internal lending among the members of the group (funds from the government and linkages with banks can increase the amount).
- c. **Third:** obtain micro finance
- d. **Fourth:** setting up of micro enterprises. This should be the objective of every group. However, only those with special skills, know-how, marketing linkages, and access to the essential infrastructure can reach to it (NABARD, 2014).

## 2.5. Characteristics of the SHGs

The main characteristics of these groups are:

- 10 to 20 members (active participation)
- From one family, only one member

- Only men or only women (not mixed groups-women's groups generally perform better)
- Members with the same social and financial background
- Regular meetings (compulsory attendance) (Swain & Wallentin, 2009)

➤ **Instruments of the group**

For the correct development and organization of the groups, the following requirements are a must:

- Book keeping: for all transactions
- Minutes' book: keep the proceedings of the meetings, the rules of the group, names of the members, etc.
- Savings and loan register: savings of each member and of the group as a whole, details of loans, repayments, interest collected, balance, etc. (Nair, 2005).

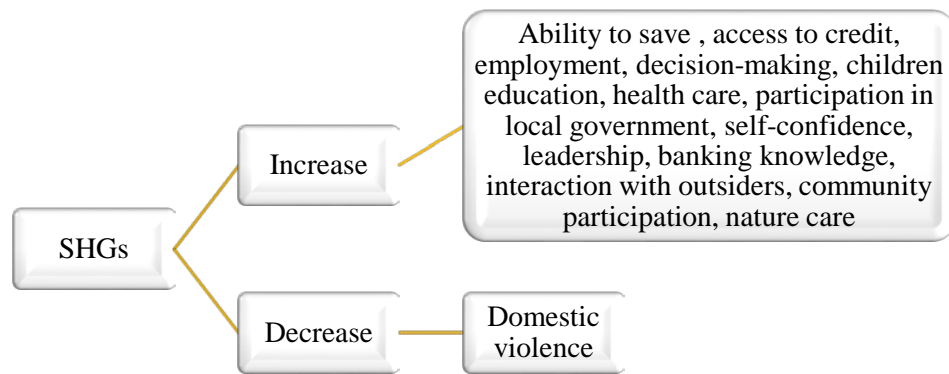
## **2.6. Importance of the SHGs**

The Self-Help Groups are important in India because of the following reasons:

- To alleviate poverty
- To increase employment opportunity
- To accelerate economic growth
- To raise status in society
- To promote income generating activities
- To interact with other social groups
- To improve collective bargaining position
- To group very poor people (Morduch, 1998, p. 86)

For these and other reasons, the SHGs are considered as the vehicle of change for the poor and marginalized women where they can participate as subjects and not as objects of the development process (Rappaport, 1994, p. 2). The main benefits they offer are:

**Figure No. 6: Main benefits of the SHGs**



Source: Harper, 2002

## 2.7. Functions of the SHGs

For achieving positive results in social and economic empowerment, the members have to be responsible for their own future by organizing themselves into the following areas to be able to provide financial/social support for themselves when need it:

### 2.7.1. Savings

The amount can be small but it has to be a regular and continuous habit among all the members. Motto: “*Savings first, credit later*”.

#### ➤ Open a bank account

After the first or the second meeting where the savings are collected, the group savings bank account can be opened in the name of the SHG. For this, some of the following documents are required:

- Resolution: acquired in the group meeting, signed by all members, indicating their decision to open an account with the bank.
- Authorization from the SHG: at least three members, any two of whom jointly operate the account.
- Copy of the rules and regulations of the SHG: not a must (NABARD et al., 2014, p. 12).

**Table No. 3: Savings of women's SHGs**

<b>Agency</b>	<b>No. of SHG</b>	<b>Saving amount (lakh)</b>
Commercial banks	3'483212	565641,83
Regional Rural Banks	1'753387	139081,96
Cooperatives	1'015079	96565,15
<b>Total</b>	<b>6'251678</b>	<b>801288,94</b>

Source: NABARD, 2014

### **2.7.2. Internal lending**

The savings can be used as loans for members. The purpose, amount, rate of interest, etc. is decided by the group. Members can also obtain loans from banks.

#### **➤ Conditions**

After saving for a minimum period of 2 to 3 months, the common savings can be used for lending. The loan is issued in the name of the group and the amount can be 1 to 4 times the SHG's savings. The bank can't decide the purposes for which the SHG gives loans to its members but they mainly are for emergency needs like illness in the family, marriage, etc. or for buying assets for income generation. The group will decide about the purpose for which loans are given to the members and it is collectively responsible for the repayment (Punithavathy & Eswaran 2002, p. 56). No collateral security should be taken by banks.

The Reserve Bank of India gives freedom to the banks to decide about the interest rates to be charged to the SHGs and the rate of interest charged by the group to its members should be left to the group (usually 2 or 3 rupees per hundred rupees). Some of the documents required by banks for lending to SHGs are:

- Inter-se agreement to be executed by all the members of the group. Agreement by the members with the bank authorizing a minimum of three members to operate the group's account with the bank.
- Application for loan assistance (details of the purposes for which the SHG gives loans to its members)

- Agreement between the bank and the SHG wherein both parties agree to abide by the terms and condition set thereon (existing formats) (NABARD et al., 2014, p. 15).

### **2.7.3. Discussing problems**

In every meeting, the group will discuss and try to find solutions to the problems face by its members (Harper, et al., 2002).

## **2.8. Rules of the SHGs**

Once the group is formed, the members need to agree in simple rules for the correct function of it, for example:

- When to meet
- Time and place of meetings
- Penalties for non-attendance
- Amount of saving
- Loans to each other
- Repayment installments
- Training:
  - ✓ Basic mathematics
  - ✓ Writing of books
  - ✓ Women empowerment

**Note:** The most effective method of training is to visit a successful SHG and interact with its members understanding their characteristics and functions (Pretty & Ward, 2001, p. 90).

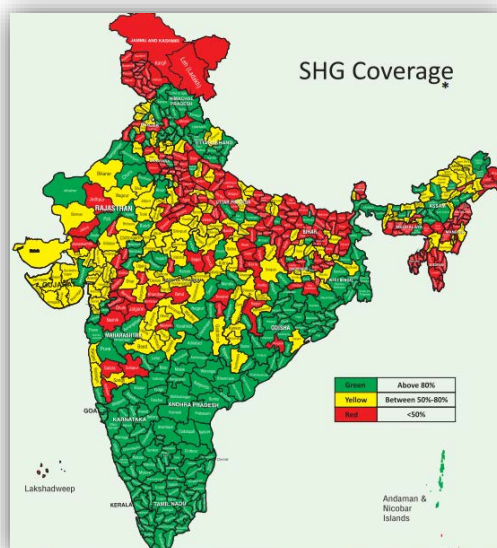
## **2.9. Spread of the SHGs**

The movement of the SHGs has had its major achievements mainly in the southern states of the country, where not necessarily the poorest families are, thanks to the proactive role of state governments, presence of well performing NGOs, socio-cultural factors and higher number of bank branches. The acceptability of it is higher and predominant in Andhra Pradesh, Uttar Pradesh, Tamil Nadu, and Karnataka which

account for two-thirds of the SHGs linkages (with Andhra Pradesh alone accounting for 40%). Only one of these states, Uttar Pradesh, has a higher poverty ratio (31,15%) than the national average (26,1%). Kerala, Maharashtra, Orissa, West Bengal, Gujarat, Madhya Pradesh, Rajasthan, and Bihar have 23,6% of the SHGs linkages while the remaining states and union territories have only 1,5% (Leach & Sitaram, 2012).

Large sections of rural population from Assam, Bihar, Chhattisgarh, Jharkhand, Madhya Pradesh, Odisha, Rajasthan, Uttar Pradesh and West Bengal are not covered yet by the program showing regional imbalances within the blocks/districts mainly because there is a shortage of competent NGOs that have not been able to replicate the strategies followed in the south (Indian journal of applied research, 2012, p. 143).

**Figure No. 7: SHG coverage**



**Source:** NABARD, 2014

The Northeast and Jammu and Kashmir need special attention because of the complexities prevalent in the regional, political, economical, and human conditions of the areas. The main reason for the poor coverage of the program in some states is the lack of efforts by bankers to identify NGOs with savings and credit groups; a lack of NGOs already working with SHGs, and the unsuitability of the approach to the region (Leach & Mearns, 1991, p. 76).

During 2010-2011 the number of families that took bank loans through the SHG program was around 6 lakhs in the north eastern region, 35 lakhs in the eastern region, 7 and 13 lakhs in the central and western regions, respectively, and the southern region was



at the top with 102 lakhs families benefitted from this program (NABARD et al., 2014, p. 34).

➤ **Growth of the SHGs**

**Table No. 4: SHGs in India**

<b>Detail</b>	<b>Information</b>
<b>2014</b>	
% of women groups	90
*Women SHGs linked with banks	79
Number of states	29
Average loan disbursed by banks	1,76 lakh
Average loan/SHG Rs.	42.621 (690 USD)
Average loan/family Rs.	3044 (50 USD)
Average savings per group	13322 (215 USD)
*Southern region	16878 (272 USD)
*Northeastern region	4073 (66 USD)
SHGs formed and financed by banks	28%
SHGs formed by other agencies (NGOs)	72%
No. of women (members) trained	3175101

Source: NABARD, 2014

In 2012, only southern regions (mainly Assam, Karnataka, Rajasthan and Tamil Nadu) reported a growth in the number of SHGs while the other regions showed a decline (NABARD et al., 2014, p. 19).

**Table No. 5: Progress of the SHG program**

<b>Detail</b>	<b>2013</b>		<b>2014</b>	
	<b>Number (lakh)</b>	<b>Amount (crore)</b>	<b>Number (lakh)</b>	<b>Amount (crore)</b>
Loans disbursed	10.37	17'854,31	11.52	21'037,97
Savings accounts with banks	59.38	6514,86	62.52	8012,89

Source: NABARD, 2014

Starting from a modest pilot project in 1992, the SHG-bank linkage program is a solid structure with more than 79.60 lakh savings-linked Self-Help Groups covering over 96.6 million of poor households with total savings of Rs. 60984 lakh. In 2014, 6304 women SHGs joined this program covering around 141858 more members (NABARD et al., 2014, p. 11).

**Table No. 6: Region-wise savings balance per SHG**

Region	2013 (Lakh)	2014 (Lakh)	Growth
Northern	7810	7748	-62
North-Eastern	4017	4073	56
Eastern	9471	10393	922
Central	8889	11525	2636
Western	7680	10367	2687
Southern	14352	16878	2526
*Average	11230	13322	2092
<b>Total</b>	<b>52219</b>	<b>60984</b>	<b>8765</b>

Source: NABARD, 2014

Even though the growth of the SHGs has been massive, some studies argue that the positive points are heavier for the banks than for the rural women because it has been the opportunity for these institutions to provide credit to the poor and reach a larger number of small borrowers with lower transaction costs and high repayment rate; what gives the impression that the SHGs have transformed the poverty alleviation initiatives into business opportunities (Meenambigai, 2004, p. 145). Some institutions in their over enthusiasm to accelerate the pace and earn “handsome returns” have done unethical practices at the cost of quality of services creating mistrust in the movement and proving that the form the microfinance is managed until now, is still not sustainable (Reddy & Manak, 2005).

## 2.10. Lenders of the SHGs

**Table No. 7: Loans disbursed to SHGs**

Agency	No. of SHG	Loans Rs. (lakh)
Commercial banks	663636	1387927,49
Regional Rural Banks	291587	593968,87
Cooperatives	196501	121900,64
<b>Total</b>	<b>1151724</b>	<b>2103797,00</b>

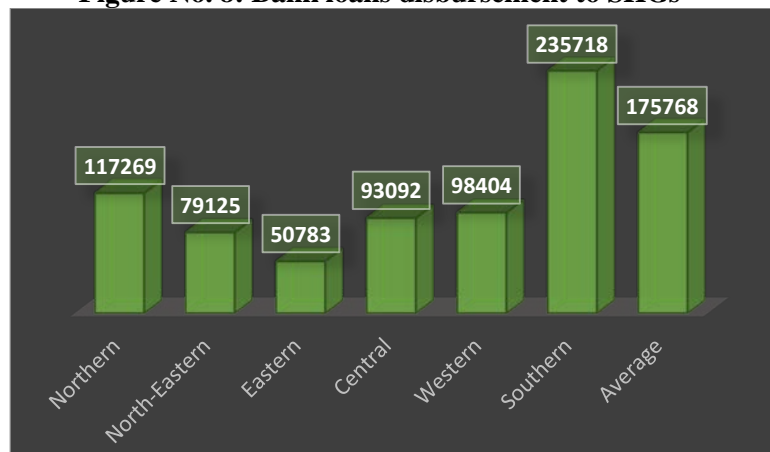
Source: NABARD, 2014

**A. Commercial Banks:** provide 66% of the total loans to women SHGs. They have the highest credit links in 12 states of the country, nine of them with lower poverty ratios than the national average. Andhra Pradesh, Tamil Nadu, and Maharashtra have the maximum credit linkages, while in Goa, Sikkim, and Manipur, they are the only financers (Madara & White, 2010, p. 85).

The number of SHGs linked with banks has been increasing for the last 3-4 years. In 2014, 13.66 lakh groups took a loan. A region-wise analysis shows

that the western region asked for more loans than the north eastern region; Bihar and Chattisgarh reported an increase in the number of SHGs and quantity of loans, while Jharkhand had a decline on them (NABARD et al., 2014, p. 20).

**Figure No. 8: Bank loans disbursement to SHGs**



Source: NABARD, 2014

As can be seen in the graph, the banking density is significantly higher in the southern, northern and western regions as compared with the north-eastern, central and eastern regions.

**B. Regional Rural Banks (RRB):** in March 2013 there were 64 RRBs with a network of 17856 branches covering 635 districts. 28% of the total loans are provided by these institutions to women SHGs. At the beginning, one-third of these banks were operating in south India and that is why they have their maximum linkages there. They are the main financers of SHGs in eight states with a high poverty ratio, mostly in Karnataka and Uttar Pradesh. The highest average loan per household is about Rs. 2409 (39 USD) in Haryana and the lowest is Rs. 293 (5 USD) in Uttar Pradesh. In states like Orissa, Assam, and Madhya Pradesh the average loan is below Rs. 1000 (16 USD) (NABARD et al., 2014).

**C. Cooperatives:** provide 6% of the total loans to women SHGs which are mainly located in Punjab, West Bengal, and Andaman and Nicobar Islands. West Bengal is the state that has the maximum linkages (1311) with an average loan of Rs. 396 (6 USD) per member, while in Punjab it is Rs. 2625 (42 USD) (Journal of Microfinance, 2014).

**Table No. 8: Region-wise analysis during 2013-14**

Region	Number of SHGs			Total
	Commercial Banks	RRBs	Cooperatives	
Northern	11.444	4.843	7.631	23.918
North Eastern	5.323	10.524	354	16.201
Eastern	87.865	73.247	136.366	297.478
Central	28.074	36.007	2.312	66.393
Western	43.683	12.330	31.833	87.846
Southern	590.864	196.469	87.252	874.585
<b>Total</b>	<b>767.253</b>	<b>333.420</b>	<b>265.748</b>	<b>1'366.421</b>

Source: NABARD, 2014

**D. NGOs:** with the example of Grameen Bank in Bangladesh, poor rural people, especially women (better repayment capacities), gained acceptability among the NGOs' community (Pattenden, 2010, p. 34). Most of the NGOs' linkages are concentrated in south India where they work as facilitators or as financial intermediaries, but they do not keep the savings of the groups. In Jammu and Kashmir, Sikkim, and Gujarat the average loan is lower than Rs. 1000 (16 USD), while in Goa and Maharashtra it is Rs. 2447 (40 USD) and Rs. 2185 (35 USD), respectively (Mohindra, 2013).

To facilitate the entry of new NGOs partners in this program, NABARD developed the concept of "Resource NGOs" where experienced institutions with skills and capacity in microfinance act as resource centers providing training for guiding other NGOs to take up the SHGs' promotion (GOI et al., 2014). One of these NGOs is PRADAN. It was established in 1983 and it is India's leading NGO in microfinance working in Bihar, Karnataka, Madhya Pradesh, Orissa, Rajasthan, Tamil Nadu, Uttar Pradesh, and West Bengal, supporting agricultural activities and the formation of women's groups for savings, credit, and income generation. In 2014, NABARD gave Rs. 196.43 crore (1,9 USD million) as grant assistance to some of these organizations for the promotion of SHGs in the country (NABARD et al., 2014, p. 164).

### 2.11. Rules of lending

Before giving any loan, every financial institution will see the performance of the group according to some factors and they have the right to give it immediately, wait for 3-6 months to review the development of the group, or deny it. The procedure and rules

for getting a loan can slightly vary among the different borrowers; for the following example, ICICI Bank has been considered:

- SHG should exist for at least 6 months
- Group: 10-20 women
- Minimum savings: Rs 5000 (81 USD)
- Processing fee: 1% (plus applicable service taxes-above Rs. 25000 (403 UDS))
- Penal rate: 6%
- Maximum repayment period: 36 months (ICICI Bank, 2015)

## 2.12. Advantages and disadvantages of the SHGs

**Table No. 09: Advantages and disadvantages of SHG's**

<b>Advantages</b>	<b>Disadvantages</b>
*Equity *All members save the same amount *Inclusion of different socio-economic groups	*Members not economically equal *Not equal credit absorption *Not equal repayment capacity
*Creation of an institutional framework	*Lack of education among the members
*Participation of women *Training in income activities	*Entry barriers (meetings, savings and repayments) *Migrate for seasonal wage employment *Self-exclusion *Patriarchal system *Interior and tribal villages not benefited
*Disciplined loan repayment	
*Culture of thrift	
*Low interests rates	
*Consumption and production needs met	*Loans not used for household needs
* Drop-outs (get savings + earned interests)	*Absence of clear norms *Absence of monitoring *Absence of registers (savings) *Corruption

Source: Karl Marilee, 2005

The literature review shows the pros and cons of the SHGs as a mixed panorama. On one hand, some researchers argue that they are an effective tool to pull the poor households out of poverty. Vadivoo and Sekar, for example, said that SHGs movement help women to fight against direct and indirect barriers to their self-development in the social, political and economic participation pointing these groups as one of the most

significant tools to adopt participatory approach for the empowerment of women, benefiting not only them but also their families and community (Vadivoo & Sekar, 2004). Tripathy also said that the SHGs are instruments for social mobilization, economic empowerment, capacity and entrepreneurship building, and community solidarity (Tripathy, 2004).

On the other hand, there are also some disadvantages. Biruda, for example, believes that some SHGs do not provide women with enough training to effectively pursue economic development for their households. He states that this movement has not taken into consideration the differences among women in rural India because a general framework has been applied which not always accompany the variation in gender roles of different places; showing that Indian planners have not realized yet that there is a diverse culture all over and one thing accepted in one place, may not be accepted in the other (Biruda, 2013).

Tripathy argued that SHGs should work as pressure entities to address social issues such as education, health, lack of access to natural resources, etc., but these areas have been left behind with no or a few importance (Tripathy et al., 2004). Further, Chakrabarti argues that the movement has still a long way to go with regards to outreach in order to make a serious change in India's situation; only linking millions of people within the banks is not the way of alleviating poverty (Chakrabarti, 2012). At the end, the groups are informal institutions and this rapid expansion without monitoring has led to their poor functioning, where women, especially from poor families, are not being benefited mainly because their lack of economic independence, their fear, ignorance, powerlessness and vulnerability (Narasimhan, 1999).

Datar and Prakash affirmed that women can't start with income generation activities if they lack requisite skills, infrastructural facilities and family support. If members receive any training, most of the time they are inadequate and there is not linkage between training and credit/marketing (Datar & Prakash, 2004). According to the Reserve Bank of India, peer pressure is an indispensable element in SHGs ensuring the proper use of credit as well as the timely repayment of loans. Even though this technique can be an effective substitute of collateral, it is also a heavy package for the households where some of them have preferred to suicide instead of being with that constant pressure within the village (Brankaerts, 1993, p. 76).

The above examination catches the attention to keep studying the aspects of the SHGs-Bank linkages and their performance focusing on socio-economic conditions of the women and the impact on their empowerment (Gugerty & Kremer, 2008). With this review the posed research question to be answered is: Are the women from a Self-Help Group more empowered than the ones that are not members of any group? Is the movement benefiting them? The goal is to put in balance the advantages and disadvantages and see if this initiative reach the poor of the poor, if it accomplishes its objectives or if it is functioning with “false promises” of eradicating poverty.

### 2.13. Successful stories of the SHGs

There are numerous stories of poor women that have been successful showing their entrepreneurial qualities within the SHGs to come out of the poverty cycle as seen in the following explanation:

- a) **RIDE NGO:** around 10 years back, RIDE started a pilot project with its first SHG in Musaravakkam in Tamil Nadu where it organized meetings, educated and empowered women to start their own business within the group. This village with around 4000 inhabitants, have 35 SHGs and one of them is running a milk business that is coordinated by a 65 years old lady, mother of 3 sons and leader of the group. This SHG has focused on giving training to its members in the field of agriculture and project management which has allowed the members to buy milk cows getting around 10 liters of milk per day; part of it is offered to the village and the other part is sold to a government milk farm in Chennai. The earnings are invested by the women into their family’s income, house-keeping and new equipment for agriculture.



**Figure No. 9: SHG in dairy business**

**Source:** RIDE India, Rural Institute for Development Education, 2015

This group has been selected by NABARD as an excellent society and thanks to this award, its financing bank will offer an extra economic support for their activities (RIDE, 2015).

- b) **PRADAN NGO:** it formed the first SHG in Alwar, Rajasthan in 1987. In 2003, a SHG was formed with 14 members in Sosopi, a small hamlet in Jharkhand's, West Singhbhum district. The leader of the group is Dadimo with 41 years old. She used her first loan of Rs. 200 (3,20 USD) for starting a puffed-rice business. Today, she earns an average of Rs. 2300 (37 USD) every month from her shop and around Rs. 7000-8000 (113-129 USD) a year from her vegetable cultivation. Her plans are to purchase bullocks for the field (0,14 ha) and for hiring them. Recently, she has transferred her son from the village school to the nearest town. She saves Rs. 100 (1,62 USD) every week (PRADAN, 2015) and she is an example of how SHGs can help to change lives.

In 2013, PRADAN worked with 18736 SHGs across 7 states with a total membership of 252.070 rural poor women saving around Rs. 1230 million (PRADAN, 2015).

**Figure No. 10: SHG in India**



**Source:** Professional Assistance for Development Action, 2015

➤ **Other comments**

- Gaonkar carried out a study in 5 women SHGs situated in Bardez and Bicholim taluks of Goa state. The members improved their quality of life increasing the family income, consumption expenditure, gaining self-confidence, productive use of free time, improving their talents, and getting more importance in the family (Gaonkar, 2001, p. 78).
- Kothai found that SHGs have a positive impact on their members because their confidence level increase being able to talk to outsiders



without any inhibition, move to cities and banks without men's help, and avoiding any kind of cheating/exploitation by merchants and intermediaries (Kothai, 2008, p. 45).

- Prasad reported that 90% of women in the SHGs have learnt to write their names, read, and do simple arithmetic (Prasad, 2000, p. 35).
- On the other side, according to some studies SHGs face problems such as lack of cooperation, lack of team work among members, lack of timely support from other organizations, ineffective group leadership, lack of training in group formation, mismanagement on accounts, time constraints, lack of decision making, inadequate space to conduct activities, lack of uniform growth, lack of marketing intelligence for the new products, and lack of information when needed (Leelavathi & Aradhana, 2006, p. 25).
- Tejaswini and Veerabhadraiah showed that when the SHG creates income generating activities the members face some inconvenient such as getting a good price for the products, lack of common work place and proper marketing facilities and lack of loans, trainings, and monitoring on time (Tejaswini & Veerabhadraiah, 1996, p. 39).

#### **2.14. Future plans of the SHGs**

The Indian government wants to include in its action plan a policy to encourage the existing SHGs to explore prospects of leasing or purchasing land in joint ownership. If this becomes a reality, its mission will be to provide information, financial and infrastructural support to groups engaged in land-based activities with the goal to develop the group collective strength (Dutta, 2011, p. 133).

Besides, in order to get technological assistance, there is an initiative to link the SHGs with the national laboratories, universities and other specialized research institutions to development the necessary facilities and get information about technology and communication to benefit the groups' activities (Smets, 2010, p. 11).

The reviewed literature shows that poor rural women have been able to tackle some problems through the SHGs and the researchers have been positive about the future of these groups focusing on the access women can have to financial resources for covering

their needs and expanding their incomes. However, in some SHGs the way the members need to follow to create change for the households and the whole community has not been clarified, and with this panorama, their future is not clear yet (Galab & Rao, 2003).

According to Mookerjee, the main step that the SHGs should take in the near future is to get engaged with social activities with health in the first place. In this aspect, women can organize themselves for campaigns, cleaning the drains, the roads, and build toilets according to the need of the community with the collaboration of all the habitants. Later on the second priority could be to tackle with community problems taking actions in protesting against child marriages, domestic violence, build a community hall, and so on (Mookerjee, 2006). In another view, according to Bardhan, education should be the first priority of every SHG. In order to succeed and to create a real “revolution” in the future, schools should be opened in the villages, there must be distribution of books to poor children with the collaboration of the government, and the education of women should be encouraged, among others (Bardhan, 2006). In this way, the SHGs would be part of the history of the country for a long term delivering positive outcomes to present and future generations.

It is important to clarify that the future of each SHG is completely different from each other depending on the level of cohesion and collective action they have at the moment. Nowadays, for example, NABARD is working in a pilot project for the digitization of all SHGs in 10 districts across 10 states of the country during the year 2014-15 to improve the quality of interface between SHG members and banks for efficient delivery of banking services and to avoid problems in manual book-keeping (NABARD et al., 2014, p. 89). Here the question would be if the SHGs are ready for the next step in spite of some of them have not even taken the first one.

## **CHAPTER III**

### **CASE STUDY**

The government of India and state authorities are aware of the importance of the economic and social development of rural women. For this, SHGs have become the weapon to fight against poverty, economic depression, social exclusion, and empower women including them as social partners, providing them rights, equal education, and health (IFAD et al., 2010). In order to analyze the situation of these groups and answer the research questions: “Are the women from a Self-Help Group more empowered than the ones that are not members of any group? Is the movement benefiting them?” this case study will be based in two approaches: the questionnaire and the personal women’s stories.

#### **I. THE METHOD**

The case study method has been selected as a suitable tool for the collection and presentation of detailed information about poor rural women in India being and not being part of the SHG movement. With this qualitative and descriptive research the goal is to observe how the life of each member/woman is, for later on, draw conclusions about each group in their specific context. Although this method has been considered by many to be unscientific arguing that it is difficult to generalize, relies on personal interpretation of data and inferences, is based on qualitative subjective data, and the results are difficult to test for validity being stereotyped as *“the weak sibling among the social science methods”* (Yin, 1989), it is the appropriate tool to examine and discuss the situation of the SHGs in Karnataka, helping the researcher to identify the actual inconvenient, recognize key players and their agendas, and become aware of the aspects that contribute to the problem. What is wanted is to analyze the actual level of empowerment of the members of the SHG, develop possible solutions, and apply the theory that is behind to identify and delineate important factors (Boyce, 1993).

Illustrative an exploratory methods were consider for this study so the researcher could see how the situation is becoming familiar with it and explaining with common language the topic in question. To obtain a complete picture of the women, as far as possible, the researcher has employed a variety of approaches and methods including interviews, field studies, and participant-observations (Lauer & Asher, 1988). In this case, a small group of participants has been chosen representing a diverse cross section of the Indian society. The goal is to know the personal stories of the participants being aware that they can affect the outcome of the study.

In this way, the focus is on a particular situation rather than a universal one, giving emphasis to the exploration and description stages to understand, describe, and evaluate the characteristics of the women involved with SHGs and the nature of the community in which they are located including their educational and emotional background, perceptions of themselves and their surroundings, their likes, dislikes, and so on; what can't be done with the large-scale research projects (Gilbert, 1981).

This case study is a comparatively flexible method because it emphasizes in the exploration rather than the prescription or prediction and the researcher can feel free, somehow, to discover and address issues as they arise in the observations and to begin with broad questions and narrow them as the experiment progresses being the appropriate tool for answering some doubts related with how and why the Self-Help Groups have become so important for one of the fastest growing developing economies in the world. As the researcher has no control over the events occurring in this country's environment, the main point is to understand these groups' formation and their benefits with the whole variety of characteristics that can be found in this particular instance, going from specific to more general terms, if possible, and offering new variables and questions to the readers for further research (Hammersley, 1995).

Following the advice of Cynthia Selfe who argues that a combination of several methods should be used to gather data in any study, it is based on different sources of information such as: documents, interviews, direct and participant observation that work as multiple fonts of evidence to increase the reliability and validity of the data what does this case study more convincing and accurate (Selfe, 1985). Cross checking data from multiple sources will provide a multidimensional profile of composing activities in these particular villages. It is important to note that in this study, as in any qualitative research, while it began, some new key factors emerged during data collection such as the linguistic features which became evident only during the research. This is why in the whole case study the researcher was aware for particular observable characteristics that could be useful for later interpretations (Fidel, 1984).

Additionally, being a good listener to assimilate new information without bias has been one of the main concerns of the researcher. Being able to hear the exact words used by the women (terminology reflects an important orientation) capturing their mood and how they perceive the world was a valuable data that has been recorded for future analysis and

conclusions (Cooper, 1984). Interviewing key persons according to their availability of time much more with open-ended questions, have allowed to make further observations in their real life activities where as an intruder to that world, the investigator has to act as an observer or even as a participant, constraining the own behavior but not the one of the people being interviewed. The goal is to have guided conversations rather than structured questions, know the other's opinion about certain events considering them as informants rather than respondents (Armisted, 1984).

Something to keep in mind is that the collection of data is not merely a matter of recording it in a mechanical way, rather, all the senses are present here. But all of these efforts will not work if the researcher does the study only for substantiate a preconceived position being closed to contrary findings. In addition, the scholar has to realize that the place of the study is unknown so it is necessary to have all the appropriate resources "just in case" such as computer, notebook, camera, and so on. Audio-types can provide a more accurate rendition of any interview, however, if it is not comfortable to the respondents, it has to be avoided. Instead of that, some pictures of the site can be taken showing important characteristic of the villages (in some cases, permission is needed). If pictures and recording are not allowed, notes constitute the most important component of the data base where writing down the results of interviews, observations or document analysis are the clue (Taylor & Bogdan, 1998).

Finally, the researcher has to be organized and make a clear schedule of the data collection activities within specific periods of time. Going to the site is the perfect opportunity to observe directly and provide additional information about what is being studied. As Park suggested, the researcher will view the constant experiment of human experience "*getting the seats of the pants dirty in real research*" (Merriam, 1985).

This case study, as the others, is generically a story which tries to present the concrete narrative detail of realistic events that women with and without a SHG live and have lived during time (Boehrer, 1990). The report is mainly descriptive focusing in the most problematic issues referred by the women. For making this research more reliable, the personal integrity, sensitivity, and possible prejudices and/or biases of the investigator have been taken into consideration as well as avoiding premature conclusions before finishing and analyzing the findings. Seeking to understand as much as possible about the women's SHGs, this case study specializes in "deep data" that can give results to this research with a more human face, in what the researcher is interested, reducing the gap between abstract research and concrete

practice by comparing the firsthand observations with the results obtained through the questionnaire that will be detailed later on (Merseeth, 1991).

### **1.1. Need of the study**

Alleviation of poverty is still a challenge for India where the government has applied some anti-poverty programs in rural areas to create self-employments and improve basic services, health and education (Rajani, 2005, p. 67). In view of the above, there is a need for an exploration of the development of SHGs and their contributions in the path against poverty and women empowering. For this, the research will be guided in a way to answer if the women from a Self-Help Group are more empowered than the ones that are not members of any group. Once this question can be clarified, it would be also positive to see if these benefits are significant enough so the members are encouraged to continue with this project. Several studies have attempted to measure how empowered can be a rural woman being part of a SHG, however, it was not found any research comparing groups of women with and without a SHG to see how developed is this sense of gaining extra power. In this way, this work is needed to contribute, in a small scale, to the studies of rural development related with gender, microfinance and empowerment.

### **1.2. Area of study**

Karnataka state is one of the pioneers that started micro credit activities in the form of SHGs in rural areas. MYRADA NGO introduced this concept launching micro credit activities in some of the 28 districts of the state, including Mandya and Hassan (Raghuprasad, 2004, p. 12). This is one of the reasons why these districts were purposively selected for this study with the assumption that the impact of the SHGs is significant for women empowerment.

This state is characterized by marginal and small landholdings for agriculture (less than two hectares) (Ministry of Agriculture and cooperation, 2006). About education, in 2011 it ranked 11<sup>th</sup> among the 29 states with 75,6% of literate people (female: 68,1% and male: 82,8%). In the same year, the rural poverty line was established at Rs. 902 (around 15 USD) per month per person and one fourth of the population was below it (GOI et al., 2013).

**Figure No. 11: Map of India**



**Karnataka state**



**Mandya district**



**Bommanayakanahalli village**



**Hassan district**



**A Chalenahalli village**



Source: Author

The areas of the study are located in the districts of Mandya and Hassan in the South East of Karnataka. They belong to the dry zones classified as tropical semi-arid areas. Mandya district is located around 130 km from the capital and economic center, Bangalore. It has a population of 1'805.769 people with 82,9% rural. For every 1000 males there are 995 females. Female rural literacy is 62,54%. Population density is 356 people per square km. 56% of cultivable area is irrigated. The most important crops in terms of area sown are paddy (rice), ragi (finger millet), pulses and sugar cane. Coconut and areca nut (betel) are widespread too (Government of Karnataka, 2013). In this district, Bommanayakanahalli village was selected purposively for the research.

On the other hand, Hassan district is located around 185 km from Bangalore. It has a population of 1'721.669 people with 82,3% rural. For every 1000 males there are 973 females. Female rural literacy is 68,6%. Population density is 251 people per square km. 58,6% of land is irrigated. The most important crops in terms of area sown are paddy (rice), ragi, maize, pulses, tobacco and sugar cane. Coconut, areca nut and cashew are widespread too (Government of Karnataka et al., 2013). In this district, A Chalenahalli village was purposively selected for the research.

**Table No. 10: Main information of the districts**

Information	Detail	
	Mandya	Hassan
District	Mandya	Hassan
No. of taluks/blocks	7 Mandya, Maddur, Malavalli, Srirangapatna, Krishnaraj Pet, Pandavapura and Nagamangla	8 Hassan, Alur, Arkalgud, Arsikere, Belur, Channarayapatna, Holenarasipura, Sakaleshpura
No. of villages	1369	2559
Area (Sq. Km)	4962	6845
Total population	1'805,769	1'721.669
Urban population	308.362	304.673
Rural population	1'497.407	1'416.996
Population density/sq. km	356	251
Population growth rate	2,38%	9,66 %
Sex ratio (per 1000)	995	973
Literacy rate	70,40% Male: 78.27 Female: 62.54	76,07% Male: 83.64 Female: 68.60
No. of households	428.625	364.806
No. of existing NGOs	20	12
Women SHGs	1197	5317

Source: Indian census data, 2011



## II. METHODOLOGY

### 2.1. Questionnaire

For measuring the level of empowerment of Indian women that are part of the selected Self-Help Group, this research used a questionnaire including the following points (Annex 1):

- A. General information
- B. Economic situation
- C. Farming information
- D. Self-help Groups
- E. Women empowerment

The first version of it was pre-tested with 10 women of Bommanayakanahalli village in Mandya district in order to assess the feasibility and reliability of the questions and identify possible mistakes. Based on the gained experience during this process and taking suggestions, corrections and modifications were done to ensure that the instructions were clear to have the final version with mostly closed-ended questions. The questionnaire was in English and it was translated orally to Kannada, the native language of the state, by the translators when the surveys started.

The goal was to do a comparison of two groups of rural women being and not being part of a SHG to determine if their level of empowerment is higher when they are part of a group. Therefore, 25 women of each village were selected having a total sample of 50 women. For this, purposive sampling technique was used.

Before conducting the interviews, the leaders of the community were contacted for getting information about the group and to see if it was possible to consider the village for this research. The aim of the study was explained to them and they provided information about SHGs and women's activities in an informal way. This contact was positive to gain confidence among the villagers for establishing trust between the researcher and the other members of the group overcoming suspiciousness towards the scholar as a stranger (Atkinson & Flint, 2001, p. 3).

One of the milestones of this research were the translators. They were five local Indian young people, two of them from Bommanayakanahalli village that has no SHG. They were a doctor and a PhD. Student (Agricultural Economics). The 3 other were from A Chalenahalli village which has a SHG. They were university students of Agricultural Engineering and all of them are native from these villages. They assisted the researcher during the whole interviews. It was important to find female translators because women behaved openly towards them and male translator was useful to gain confidence in the village (Sivakumar, 2012, p. 5).

Before starting the data collection a short introduction about SHGs was given to the translators focusing in the main objectives and purposes of this study. In addition, each question was clarified one by one to avoid misunderstandings. Despite all of this, this research could have some bias because of the different interpretation of the interviewer and translators influenced by their culture and understanding (Mack, 2011, p. 35).

## **2.2.Surveys**

The interviews were conducted to Indian women individually attempting to determine their empowerment level when being and not being part of a SHG. This data was collected during March and April, 2015. Production, resources, income, leadership, and time were the followed domains in the surveys (Alkire, 2012, p. 7). Additionally, semi-structured interviews were done to gain information about women's social participation, household decision-making, mobility, economic security, ability to make small-large purchases, and collective action. They were conducted after the questionnaires so women felt more comfortable encouraging open conversations about their life experiences (Valentine, 2005, p. 34). As a researcher, staying in the village with the leaders helped to be an observer of the community activities avoiding the position of outsider.

One of the limitations of this study was the inability to conduct detailed interviews with women in the presence of men because some of them did not feel comfortable with men around and it impacted their answers and behavior. Men were often curious about the purpose of this research when income and expenses questions were done. Time did not make possible to go back and meet women again when they were alone.

The investigation journey started in the village without a SHG where women that were available in the field or in their houses were called to the place where the researcher was to start with the surveys. If they were not free, they went later or the next day. In the second village, the leader of the SHG called to all the members of the group to her house and due to here there are 3 SHGs, it was possible to have more than 15 women. In both places not all the women were available and not all of them wanted to be interviewed. If they were busy, the researcher and translators went to their houses, when allowed. The living room, kitchen or the field were useful places to talk and avoid a possible male involvement, but in some cases, men were useful for answering technical questions regarding production that women did not know or did not want to answer.

Each interview took around 40-50 minutes. Having the idea of building a relationship with the respondents and get their complete attention, general and unthreatening questions were used at the beginning leaving the more sensitive and personal issues for the end. Some reasons of being and not being part of the SHG were shared. Any additional information was written down and it is available for the data analysis. Video recording was planned to be done but women did not agree because they wanted to avoid any kind of exposure, argument that was respected by the researcher. In general, all the interviewed women were willing to share their life experiences. Somehow, it was felt that in the first group women were more open to speak and share time, what was not seen in the second one mainly because of time constraint, but the SHG members seemed more disciplined trying to hear with attention every detail, while in the first group some women were not interested about this research and left the place of meeting whenever they wanted.

When women were alone, they seemed more relaxed and open to share information, so much that in one occasion the longest interview was for more than 2 hours. However, language was a huge barrier. Being the researcher I wanted to know every detail, every feeling of women, how they see their lives, if they were happy, if they would change something, but once the thoughts were translated from Spanish to English and then from English to Kannada, it was felt that the main essence was lost because the language was not communicating the same of the eyes of the women. Some basic things were understood by the scholar who tried to learn their language, but it was not enough.

### **2.3.Data Analysis**

After the survey was completed, the collected data was reviewed to avoid unanswered questions. Later, it was carefully scrutinized, processed and analyzed. The results were tabulated on the computer to show how the total sample responded to each question. Some statistical techniques such as frequency, percentage, and mean were used.

### **2.4.Limitations**

This study is a student's research work and hence, there is a limitation of time, money and other resources. Considering the more than 46000 (Manjunatha, 2013, p. 24) SHGs existing in Karnataka, this sample is very small and not representative because it was confined just to two villages of the state. The report has been prepared based on the data collected from the field and published secondary documents, thus, the findings could not be generalized for other areas but they can be useful for having an idea of how things, visions, and objectives can change from place to place. Moreover, the research is based on the opinion of the women (respondents) which can have some level of subjective perception and bias. It is important to keep in mind that the obtained data refers to one point in time.

For future researches, it would be recommended to improve the tools to measure women's empowerment and to try to implement them in monitoring and evaluation practices.

## CHAPTER IV

### RESULTS AND DISCUSSION

#### I. SURVEY FINDINGS

##### 1.1. Description of the sample

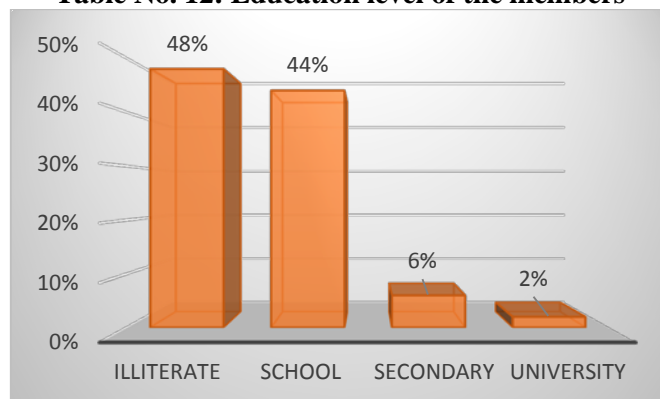
After the scrutiny of the data, it was found no significant differences in the marital status, religion, caste, and labor-force participation of the women. All of them are married, Hindu, belong to the Shudras caste (cattle herders, farmers, artisans, and merchants), and they came to the villages after getting married to stay with their husbands. Their natal places are in the same state but in different locations. Their average age is 44 years old with 4.5 family members per household.

In a general view, these women are poor, not necessary living below the poverty line, but poor at the end. The average income of this sample is Rs. 112900 (1821 USD-151,75/month) per year derived mostly from agriculture with an average land size of 2,7 acres (1,1 ha), owned by men (household's head).

##### o Education level

Women of this sample are mostly illiterate with 48%, 44% have some kind of primary school and 2% have some undergraduate studies.

**Table No. 12: Education level of the members**



Source: Author

##### o Women's activities

Women are engaged in various occupations for earning their livelihood, mainly in agriculture, their main duties are:

**Table No. 11: Main activities of the women**

<b>Agriculture</b>	<b>Livestock</b>
*Field preparation *Transplantation *Manuring and weeding *Harvesting and storage *Threshing, winnowing and grinding	*Milking and processing *Feeding, washing and providing water *Cleaning sheds *Preparing field manure *Birthing/veterinary care (sometimes)
<b>Household</b>	<b>Collection</b>
*Cooking, cleaning and mopping *Maintenance of house *Child-rearing, care of elderly and sick *Food preservation *Weaving and stitching	*Fuelwood *Water *Fodder *Others (medicinal plants, etc.)

Source: Author

Some of the women agreed that when the situation is bad in agriculture (bad harvest), they will work outside home, even if this practice is highly criticized within the community. Most of the time they will stay in the same villages helping in the field or cleaning houses for what they can get around Rs. 150 per day (2,4 USD), depending on the duties. All of them wish to have a paid employment because “*it is easier than agriculture*”, they said.

Sudha, in his study in Kawadipalle and Anazpur in Andhra Pradesh (south-east) concluded that women are the major contributor in supply of labor for farm and home activities (Sudha, 1991) which matches with the pattern of this sample. During the day, they will spend 6 to 7 hours in farm works, 2-3 hours cooking, 1-2 child care, 1-2 cleaning, washing, etc., 1-2 hours for the cattle, 0.3-1 hour for water collection, and 6-7 hours to sleep with almost no free time.

○ **Ownership of livestock**

Livestock is owned or controlled by men, but women handle their care and grazing, collect fodder and water for them, use their manure in the fields, process/sell their milk, and clean their sheds. Each household has an average of 2 cows/buffaloes, figure that agrees with a study done by FAO in 2012 that showed that poor Indian rural families have 1,5 cows/buffaloes average (FAO, 2012, p. 2).

○ **Farm production**

The main crops that are produced in both villages are: rice (paddy), ragi, sugarcane, and coconuts. All of them are for commercial and self-consumption purposes and they are sold directly in the market or in the stores with no intermediaries.

## ○ **Loans**

In the first village, women do not know anything about how to get a loan or the quantity their husbands need for the field. They have a general idea but they are not able to give specific numbers. Their husbands will ask for money to the family, friends, community lenders or cooperatives. The last option will be the banks because they ask for lots of documents, and in some cases, for some collateral like gold or land/house. That is why men prefer to go to the community lenders because the process will be easier and they will get the money in 1 or 2 days. On the other side, in the other village, every time that households need money, women members can approach to the SHG and request it.

The purposes of the loans in the two places will be mainly for agriculture, households' consumption, livestock, health, house repairs, education, festivals, and marriage celebration. The households with loans feel an extreme community pressure for paying it back on time. Public shame is something that terrifies them. Within the SHG all the members will know which person is in debt because the request is done in the meetings, and in the other village, neighbors will know which household has a loan because the bank staff/community lender will visit the borrower. For all of them having the installments on time is directly related with honor and pride among the villagers.

## ○ **Decision-making**

Living in a hierarchy society such as India, certain key areas of decision-making are for men in their capacity as household heads while women are considered the mothers, wives, daughters and so on. Within the families, the purchase of food and decisions related with children's health are in women's arena, while decisions related to the children education, purchase of major household goods, disciplining the children, and market transactions tend to be in the male side.

All the women of the sample, with no exceptions (even if they already took a decision), will talk and consult to their husbands about all sorts of issues because they consider men have to know all the details about their family. Often, women are not able to speak up or act as they want if they disagree with their husbands since they are used to the authority of their "senior", situation that is worst when women are less educated or much younger than the husband.

Regarding to crop production men are the key decision-makers within the studied households. According to some studies, 72% of the men in the households take decisions about marketing the crops without consulting the woman. The same occurs in the area of family planning where women feel shy to talk about it because their objective is to make their husbands happy with children at home, so men have the last word of the number of children to pro-create. In India, only 3% of SHGs' members report any participation in this field. As Fierlbeck said, women would expand more their ability to make choices if they view themselves as individuals rather than members of a social group (Fierlbeck, 1996).

## **1.2. Common patterns**

Every time that women need to buy something, mainly food or medicine, they have to ask for money to their husbands since most of them do not have any income. The ones that keep their earnings from livestock make use of their money mainly for household expenses, clothes, jewelry and gifts for their relatives. As Jackson affirmed, there is a need to see the women less self-sacrifice for others and start thinking about them (Jackson, 1996, p. 497).

## **1.3. Main findings**

### **A. General information**

The women of the group belong to the 32% of the SHGs' members that are above the poverty line but vulnerable to risk (NABARD et al., 2014, p. 87). Even though the women of the other village have a similar economic condition, they do not have a SHG because the promoters of the movement have not considered their community under the "urgent needs" area and neither any woman has pointed out this alternative to improve their actual conditions because they do not want to involve in any association. They said that they have already enough work to do, time is not enough and they were not very sure about their saving capacity, the restrictions their husbands might impose, and the personal conflicts they could have with other women.

#### **o Age**

The age of the majority of the women members of the SHGs in India varied from 22 to 41 years, group in which the members of this sample are included. The women of a SHG have an average age of 41 years old, the youngest with 27 and the



oldest with 63 years, while in the group without a SHG, the average age is 48, the youngest with 30 and the oldest with 70 years of age. This somehow could give the idea that the younger the women, the bigger the desire (or the pressure) of pooling efforts for working together for a common goal.

○ **Family size**

The average family size of the two villages is 4 members of which two are engaged in farming activities. In the group without a SHG, the average of adults per household is two and children one, while in the SHG the average of adults and children is two. These results match with the findings of Manimekalai and Rajeswari who did a study in Tiruchirapalli and karur districts of Tamil Nadu (south-east) where each household had around 5 members in the family. In general, the average of the country is 4.8 people per household (Indian census et al., 2011).

**Table No. 12: Family size**

Detail	No SHG			SHG		
	Mean	Min	Max	Mean	Min	Max
Family size	4	2	10	4	3	8
*Adults	(3)	2	8	(2)	2	5
*Children	(1)	0	3	(2)	0	3
Members in farming	2	1	4	2	2	3

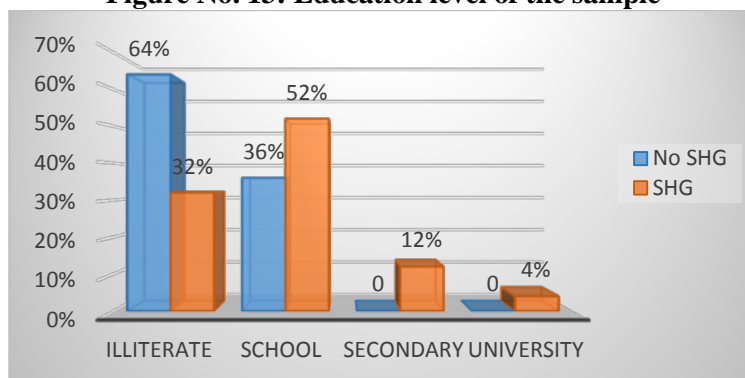
Source: Author

○ **Education**

In India, 51% of the members of the SHGs have completed at least primary school and 49% are illiterate (Kaur & Singh, 2012). In this case, the level of education of the SHG members is higher than the non-members: 52% of the women have some schooling years, 12% some secondary education, 4% some University years (unfinished), and 32% are illiterate, while in the first village, 36% of the women went to school (not finished) and 64% are illiterate.

In the SHG, the only person that has some higher education is the actual leader, Komala. She started the University in the career of Agriculture Engineering but after 1 year she quit due to economic issues. In the whole country, leaders are more likely to have some schooling compared to overall members. Nevertheless, the majority of them are also illiterate (60%).

**Figure No. 13: Education level of the sample**

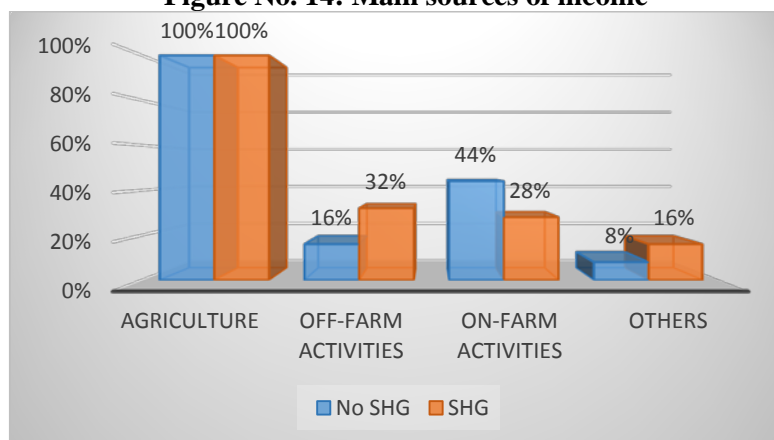


Source: Author

o **Sources of income**

For both villages the main source of income is agriculture. In the first community, 44% of the households are engaged in dairy and butter production, 16% in own business (transportation and restaurant) and 8% in others (housekeepers). In the SHG the figures change a bit, 32% of the households are engaged with off-farm activities (construction, transportation, education), 28% with dairy products and 16% with others (housekeeper, slave).

**Figure No. 14: Main sources of income**



Source: Author

o **Size and ownership of land**

According to Sundaram, the majority of rural people own less than 1ha of land. In this case, the average land holding is 1 ha per household. In the first group the biggest land size is 2has, while in the second one, it is 3has. In the entire country this situation is a challenge for agriculture since the land holding (1.24ha average) is decreasing day by day as well as the farmers' capacity to invest on it.

**Table No. 13: Average land size in the villages**

Detail	No SHG			SHG		
	Mean	Min	Max	Mean	Min	Max
Farm size (acres)	3	0,5	5	2,60	0,5	8
*Hectares	1,2	0,16	2	1	0,16	3,2

Source: Author

All the land is owned entirely by men, the households' head, proving that women's access to this resource is very restricted, even when they are part of a SHG. One of the main reasons is the patrilineal society in which they live where women do not have social rights to land, even if they have legal ones. Another reason is that women are perceived as farming for subsistence so they do not have the "necessity" to own land, while their male counterparts are considered as farming for income and the market, so they have to own some land (Farnworth & Jiggins, 2006).

## B. Economic situation

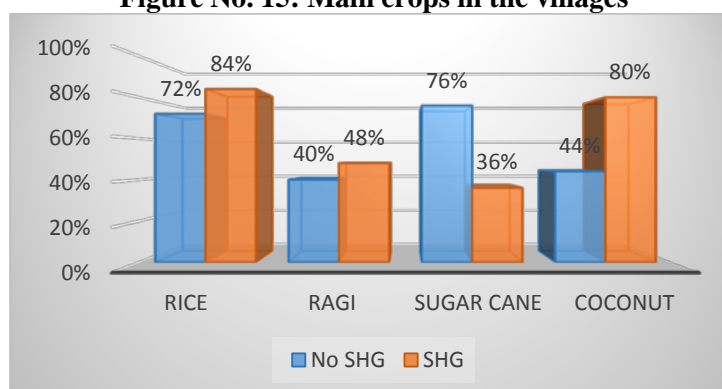
### o Annual income

The village without a SHG has a higher income than the one with a SHG and this could be one of the reasons why the SHG movement has not arrived there yet. These households have an average income of Rs. 140000 (2258USD-188,2 per month) while in the SHG the average is Rs. 112900 (1821 USD-151,7/month).

## C. Farming information

### o Production

**Figure No. 15: Main crops in the villages**



Source: Author

In the first village, sugarcane is the main crop with 76%, followed by rice with 72%, coconuts with 44% and ragi with 40%. The average production within the year of rice is around 15 quintals, ragi 10 quintals, sugarcane 66 tons and coconuts 6800kg.

From these, about 11 quintals of rice, 8 quintals of ragi, 66 tons of sugarcane, and 6681Kg of coconuts are sold during the year as average.

In the second village with a SHG the main crop is rice (84%), followed by coconut (80%), ragi (48%) and sugarcane (36%). The average production within the year of rice are 14 quintals, ragi 12 quintals, sugarcane 50 tons and coconuts 5620kg. From these, around 13 quintals of rice, 10 quintals of ragi, 50 tons of sugarcane, and 5620kg of coconuts are sold during the year as average.

The selling prices for both places do not vary much because they are fixed by the government of the state. Rice will be sold at Rs. 1400 (22,60 USD) per quintal, ragi at Rs. 1.500 (24,19 USD) per quintal, sugarcane at Rs. 2.300 (37,10 USD) per ton and coconut at Rs. 30 (0,48 USD) per kg (Government of Karnataka, 2015). In the first two crops, the SHG village has higher levels of production and selling but for sugarcane and coconut, the first village is more efficient in their production and therefore, they sell more.

According to the women, last year the harvest was bad because the monsoon was really hard and destroyed part of the plantations. This is an irrigated zone because usually water is scarce, but they affirmed that weather is changing considerably and they are not prepared for that. *“The weather is or too warm or too cold, it is becoming difficult to find a middle point”* (Indra, 38 years, SHG).

#### ○ **Livestock products**

In both villages all the women are in charge of dairy and some of them produce butter and sell these products. Even though these activities are done individually, the option to get together in the future and pool efforts and resources has not been deleted.

In Bommanayakanahalli, women are completely in charge of the house and animal husbandry. They have 1-2 buffaloes/goats for getting milk for household consumption (60%) and the surplus is sold to the market, local stores or dairy cooperatives (Rs. 21/liter-0,34 USD). The average amount of milk production is 2,8 liters per day. Women are not members of any cooperative or group but 7 out of the 11 that sell milk, have already started with butter production (Rs. 100/kg-1,6USD).

Selling these products they have been able to have their own income and savings. However, 6 of them give the entire extra income to their husbands.

In A Chalenahalli, the panorama differs a little bit. As every SHG in India, some members have directed their efforts for improving the milk collection. The average milk production is 2,6 liters/day and here just one women is producing butter for selling. The main difference is that the 7 women that sell milk and butter manage and control their income without giving it to their husbands; the others 18, do not produce enough milk for selling. The work of these women is essential for the household economy and mainly for subsistence needs (Bennett et al., 1993).

**Table No. 14: Livestock products' income**

Detail	No SHG					SHG				
	Resp.	%	Mean	Min	Max	Resp.	%	Mean	Min	Max
Livestock income:										
*Yes (USD)	11	44	296 (4,8)	210 (3,4)	452 (7,3)	7	28	221 (3,6)	105 (1,7)	373 (6)
*No	14	56				18	72			

Source: Author

#### **D. Self-Help Groups**

##### **o Meetings**

One of the key points for the success of the SHG is the full commitment by the members to follow the rules. The average meetings attendance in the region is 70% because for women it is difficult to find free time during the day to go to the meetings. Sometimes, they prefer to pay the penalty, but in this group 90% of the members attend. *“Even though the meetings are agreed by everyone, time to time unexpected situations can happen”* (Latha, 42 years old). When women have to leave, their daughters, sons or husbands (in that order) will help in the house or field duties. Mainly their families will collaborate because they are afraid that when they need a loan, the group will not give due to the absence of the meetings.

##### **o Keeping of records**

The level of education of the members is an important characteristic for the correct and positive functioning of the group because it impacts in the maintenance of records, development of schemes, linkage with banks, etc. For this group, as for the others SHGs in the country, having illiterates is not a barrier for keeping the records in an organized and tidy way. When it is necessary, the woman in charge can get help

from her husband or an educated family member. All the members are aware about the importance of keeping the records updated with clear accounts in a responsible manner, if not, it can generate some problems and the confidence of the members can reduce. A research found that only 15% of the SHGs have good quality records (complete and updated) and 39% have them in moderate quality, (updated with some errors). This SHG is located in the first group. The members agreed that these documents are kept properly and available whenever they want but almost half of them have not examined them during the last six months.

#### ○ **Loans**

88% of the members of the SHG have cut the dependence on moneylenders thanks to the group formation, but 12% still rely on them because the amount of money from the SHG is not sufficient or the process is slow taking nearly two weeks. The bigger the necessity, the bigger the desperation of getting money from any source. These loans are for diverse purposes but mainly they are used for agriculture (31%), household consumption (15%), and livestock (9%). Other areas include education of children, purchase of land/farm machinery, and wedding celebration.

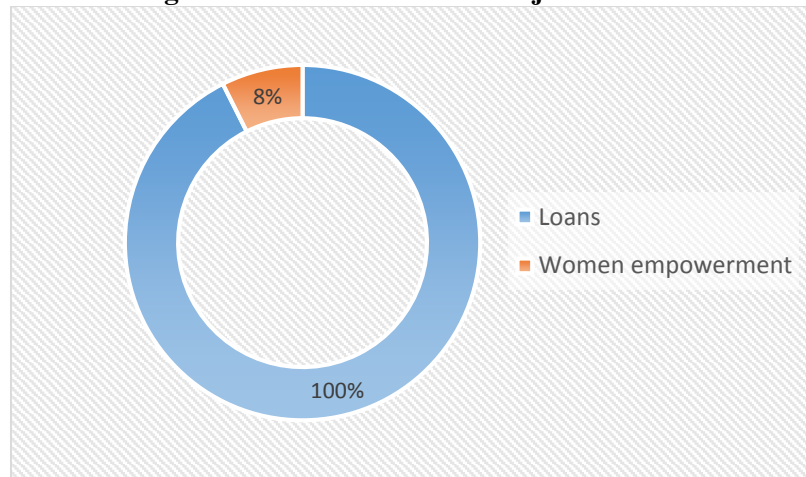
Within the group, 88% of the women take the decision to borrow money jointly with their husbands and 12% completely or mainly by themselves, figures that show some kind of progress. However, 80% of them “lose” control over the loans what confirms the doubt if women’s access to credit has any significant transformation for their lives. When the loan is used for another purpose than the expressed in the application form, the leader will talk to the member to see why this happens. Most of the time, the members will not reprove this action because they understand each other’s reality: *“When you are poor, “sometimes” you have to be out of the plans”*-Ashwini, 27 years old. If the loan is paid on time, no one has objection of how the money is being used. At the moment of the interview all the members had a loan and none of them have had any problem with delays or defaults.

More than 80% of the women’s SHGs after 3 years of existence are still dependent in promoting institutions for getting credit/loans but in this case, it is not like that. Until July 2015, the SHG’s balance was around Rs. 500000 (8064,5 USD). Even though the amount can be considered low, for the women this is a huge step

because they have realized that “*even being poor, it is possible to save*”, Sumathi, 30 years old, situation that they became aware when they started in the group.

○ **Reasons to join**

**Figure No. 16: Main reasons to join to the SHG**



Source: Author

The main reasons to join are the economic incentives such as getting loans with a low interest rate and for learning the savings-habit. Social reasons such as interaction with other women, cooperation among members, acquiring new knowledge and skills have influenced as well but in a minor way. According to some researches, 35,2% of women of SHGs joined for economic purposes and 38,7% for social ones. Women shared that at the beginning their families were not sure about the objectives of the group and they were not going to be permitted to join if it was only going to provide educational or social benefits; the decision of joining was taken when getting credits was part of the program.

Since the creation of the group there has not been any dropout. Actually, 50% of the SHGs of the country have no dropouts; in Karnataka the drop-out rate is 15% and in other states it is even under the 10%. The members recognized that this achievement is thanks to the actual leader, Komala because she has encouraged them to be together and keep saving since the creation of the group. Others however, stated that they have to be together if they want loans to continue.

## E. Women empowerment

### o Savings

All the women have a great desire to save any amount of money they might have in order to break the dependence of the moneylenders or other informal sources of borrowing for meeting their emergent needs. Their savings come from the dairy activities or from keeping the change of the daily or weekly amount of money they get from the household head. Although the quantity is almost “nothing” (average Rs. 5/day-0,8USD), it has helped when there is an emergency.

In the first village, 24% of the women are able to save some quantity of money mainly in daily bases, while the 76% does not do it because they do not think for tomorrow as they live in today (short time vision); so saving is not at all a part of their life. Some women said they have tried but at the end they could not keep this habit and they stopped. In the second group, 44% save something apart from what they deposit in the SHG. Even though it could be said that these women have already the habit to save, still more than half, 56%, do not save any extra amount. They agreed that the weekly deposit for the group is difficult to get and even worst for an extra saving, but if they would be able to do it, they were ready to start.

**Table No. 15: Quantity of women’s savings per week (Rs.)**

Details	No SHG			SHG		
	Mean	Min	Max	Mean	Min	Max
Own savings (Rs.) (USD)	38 (0,6)	12 (0,2)	60 (1,0)	56 (0,9)	23 (0,4)	100 (1,6)

Source: Author

On the other side, being part of a SHG can’t assure that women will keep the saving’s habit if they decide to leave the group. In this case, 68% of the members will continue saving even leaving the SHG, 3% will not do it, and almost 30% was not sure about it; figures that prove some kind of change in their habits but there is the need to keep working for that percentage that is not sure yet about the importance of savings.

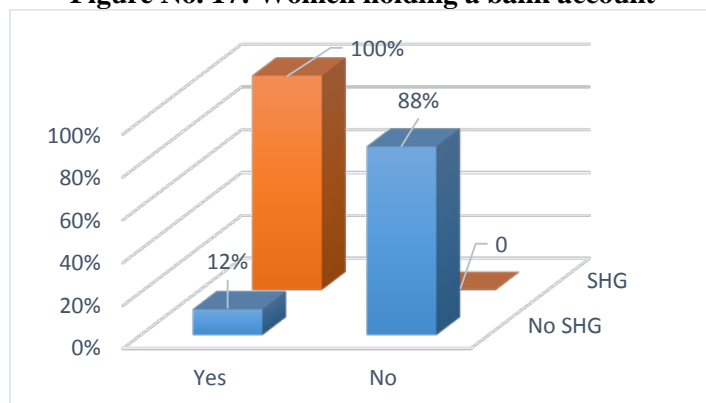
### o Bank account

88% of the women in the first village does not have a bank account. Indeed, some of them do save, but they keep the money at home because they are afraid about the process they need to follow in the bank for opening an account. Lakshi, 60 years old, tried to open an account but the bank sent her back because she was not part of



any group. Only 12% has it and they feel glad about this step they gave. “*With every deposit I make, I feel the most powerful women in this world*”-Bharathi, 43 years old.

**Figure No. 17: Women holding a bank account**



Source: Author

This situation changes totally in the SHG because all the women have a bank account. They opened it once they joined the group (2005), otherwise maybe their situation will be the same as the first village. Some studies have shown that almost 80% of women did not have savings account in any bank before they joined a SHG. It is important to clarify that not all of the women with an account can manage their savings as they wish. Most of the time if they want to take money out, they consult to their husbands/sons first to see their opinion or even ask for permission.

o **Decision making**

In the first village, only one woman (Bhagya, 45 years old) takes decisions about crops and their marketing because her husband is working in another state (restaurant), while in the SHG, three women are already taking some decisions about production jointly with their husbands or sons (Komala, Lakshmidevi, and Poornima, 41, 36, 38 years old, respectively).

**Table No. 16: Decisions' taker**

No.	Detail	No SHG		SHG	
		Resp.	%	Resp.	%
1	In the farm				
	*Woman	1	4	3	12
	*Man	21	84	22	88
	*Son	3	12	0	0

Source: Author

Within the households of the SHG's members, women's role for taking decisions are more active in the areas of house repairing, kitchen arrangements, clothes

and health of children, settling marriages, livestock acquisition/selling, and family events. 48% of the members of the SHG feel that they are more taken into account by their husbands in those areas and little by little they are able to take some decisions by themselves, while in the first village, 16% of the women can contribute with their opinions and influence regarding the education and health of their children (mainly for girls). These women are the same ones that keep the dairy income with them.

○ **Self-confidence**

During the interview the researcher was not sure if the behavior of the women from the SHG was more confident than the women of the first village. In general, women did not seem shy while interviewing them. It was seen that the older the women, the opened they were to share their experiences.

44% of the members of the SHG believe that their communication skills have improved, as well as their quality of live, social status, and self-confidence, and now they feel more respected than before, not only in the village, but within the family. Since they are part of the group, they are invited by neighbors/family to social functions which never happened before and this has increased their self-esteem.

○ **Leadership**

Both villages are missing women with good leadership skills acting as a motor of change in the communities. It is possible that some of them have these characteristics, but in a way, they are not showed or used for communal development. However, this situation could change; in the SHG, for example, in 2016 the members will elect a new leader and one of them want to have this position.

○ **Collective action**

SHGs are the place where women can work together for solving or improving social issues that affect them. Nevertheless, following the pattern of the country, this group is not dealing regularly with these issues. Only 12% of the SHGs had taken up problems such as domestic and sexual violence, prevention of child marriage, and support for separated women. In both villages, for example, there are problems with alcoholism but nothing has been done yet.

In India 43% of the existing SHGs have worked for improving the water supply, education, health care, veterinary care, and village roads; and another 12% has worked for protecting the natural resources. In this group, no changes were found because nobody has taken the lead to start working for achieving positive outcomes within the village. Somehow living in the conditions they do is normal and they are used to it. The scenario changes when social events have to be organized because in that case, most of the women are happy to collaborate in common festivals like the Independence/Republic Day, the anniversary of the group, birthdays, weddings, among others. Here the women organize what to cook and decide the place of the celebration. Even though these kind of programs are important due to their contribution for unity and mutual respect among the villagers, the same spirit is not used for taking initiatives as a group and improve the problems the communities have.

○ **Mobility**

Almost 60% of the non-members and 16% of the members rarely leave their homes/villages. Since they do not get any training, educational centers and agricultural offices of the district are not places they visit at all. In this way, they are restricted because they are not able to get information about market prices, farming techniques and so on.

○ **Awareness**

Being aware of what is going on around is important for taking decisions and actions. On average, 80% of the SHGs are aware of their rights, mostly related to gender and children, but only 12.5% of the knowledge comes through the SHG system. Mostly NGOs are in charge of imparting training to women about health issues, personal hygiene, communicable diseases, effects of malnutrition, environmental issues, sanitation, and government programs, but this kind of training is not given in any of the studied villages.

36% of the members compared with the 20% of the non-members have some knowledge, not so clear, about the government anti-poverty programs, the credit for small farmers, and the capacitation they could get in agriculture. According to them, the government has a lot of programs that are not offered “in a real way” because they are organized and carried out in unreachable places for rural women.

### ○ **Skills/training**

According to Deshai and Joshi, the exposure to training services helps to increase the access to labor and credit markets (Deshai & Joshi, 2013, p. 493). In India, poor rural people are encouraged to undertake income-generating activities to grow socially and economically and become progressive citizen of the nation. For this, the government and other institutions provide training programs for transferring the necessary knowledge, motivation and competence that poor people, mostly women, lack. Nonetheless, women of the first village have not received any training at all, and in the second group, no training is provided mainly because the members have not showed interest for learning more, any organization has included them in the national campaigns, and Komala, the leader, has not approached to the promoters of the SHGs for being considered for these events.

Some NGOs and other government officials organize once or twice a year some kind of trainings open to every member of the SHGs, non-members are not considered. These sessions are far from the villages and women do not have the means to go. The main topics are proper accounts keeping, self-management, decision making, income generation activities, etc. with the objective to get unconventional skills or technology knowledge for helping in the marketing arena, legal issues, accounting, and so on. However, leaving behind the female area and including men in these trainings for changing somehow their preconceived notions, are some initiatives that are missing.

Within the SHG 60% of the members know how to update and fill the books' records and 68% are able to perform bank transactions easier than before not due to training, but to practice and experience. The only two persons that have received training when the group was formed were Komala and Kumari (the book keeper), mainly in the topics of how to run meetings, maintain minutes, manage group accounts, and monitor the group's activities.

### ○ **Domestic violence**

As in every poor rural place, lack of education and “macho” societies<sup>4</sup> have permitted that verbal and physical abuse by men against women be considered as normal. For the women in these villages domestic abuse is something about life. If

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<sup>4</sup> Society in which women are considered inferior than men

they do not suffer from it with their husbands, their mothers, daughters, sisters or neighbors have done it.

Kabeer has found that women's increased contribution of resources led, in a great majority of cases, to decline levels of tension and violence within the households, but in other cases, providing resources to women and encouraging them to maintain control over them have provoked violent behavior in men, because they feel their authority over their wives is decreasing (Kabeer, 2001, p. 155). In these villages, when women have tried to gain economic independence, they have faced opposition and experienced higher levels of stress and tension at home what have forced some of them to stop it for not creating problems.

The members of the group are glad for what the SHG has brought inside their households. Pevathamma, 62 years old, said that her husband used to hit her but now he has stopped it because he knows she can go and tell to the group or other women can realize because of the bruises. Nevertheless, around 24% of them confirmed that even being part of the group they are still bitted (*“not so often-not so hard”*) by their husbands. They accepted that this situation is somehow their fault because they have not gone and denounce it with the police or report it within the group.

**Table No. 17: Summary of the main findings**

Details		No SHG	SHG
<b>LOANS</b>	Requester	Man	Woman
	Source	Cooperative Community lender Family members	SHG-bank linkage program
	Speed	1 month 1-2 days 1-2 days	1-2 weeks
	Quantity	Rs. 2000 (32,3 USD)	Rs. 4000 (65 USD)
	Interest		2%/month
	*Banks	9.5-15%/year	
	*Cooperatives	8.5-13%/year	
	*Lenders	3-5%/month	
	Frequency	1-2 per year	2-3 per year
	Repayment	95%	100%
	Decision to borrow		
*Men	96%	12%	
*Women		88%	
*Jointly	4%		
Women control	4%	20%	
Activities	Agriculture Households' consumption		

		Livestock Health House repairs Education Festivals Marriage celebration	
<b>INCOME CONTROL</b>	Crop production		
	*Men	80%	100%
	*Women	4%	
	*Son	16%	
	Livestock		
	*Men	80%	72%
	*Women	20%	28%
	Livestock/week	Rs. 296 (4,8USD)	Rs. 221 (3,6USD)
	Women's expenses	Household Clothes Jewelry Gifts for relatives	
<b>SAVINGS</b>	Women	24%	44%
	Average/week	Rs. 38 (0,6USD)	Rs. 56 (0,9USD)
	Bank account	12%	100%
<b>DECISION MAKING</b>	Production	1 women	3 women (jointly)
	Improvements	16%	48%
	Areas	Children's education	*House repairing *Settling marriages *Livestock acquisition/selling
	Low/no participation	Education of boys Family plans Sale of food grains Storage of food grains Fertilizer application Crops' varieties Plant protection measures	
	Common areas	Kitchen arrangements Clothes and health of children Family events	
	Habit	Consult husbands about all sorts of issues	
<b>SELF-CONFIDENCE</b>	Improvements		44%
	Areas		Communication skills Quality of live Social status More respected than before
<b>MOBILITY</b>	Restrictions	60%	24%
	Freedom	40%	76%
	Places	Visit neighbors Temples	
	Extra company	Public places (market, hospital, cities)	
<b>AWARENESS</b>	Level	20%	80%
	Areas	Gender	Gender and children
	Government programs	20%	36%
	Knowledge	Government anti-poverty programs Credit for small farmers Capacitation in agriculture	
<b>VIOLENCE</b>	Domestic	60%	24%

<b>FREE TIME</b>	Workload	6-7 hours: farm 2-3 hours: cooking 1-2 hours: child care 1-2 hours: personal works 1-2 hours: household works (cleaning, washing, etc.) 1-2 hours: cattle 0.3-1 hour: water collection 6-7 hours: sleep No free time
<b>TRAINING</b>	SHG	60% (books' records) 68% (bank transactions)

**Source:** Author

#### 1.4. Analysis of the findings

In India, 74% of the women in the SHGs have no schooling and 15% have some primary level. In this view, the studied group has a tool that has not been realized yet by the members and this is the education level they have. Without education NO impact can be expected. Women have left behind their internal thoughts and fears to come together but still they are not making use of their knowledge to bring new ideas for working as a “real group” to overcome community difficulties and offer a better future for the present and coming generations.

The lack of motivation and pro-activeness of the members can be one of the reasons why even though being part of a group that is supposed to help to overcome poverty with some economic tools, the members have not been able to do something together for generating income. Furthermore, time has passed and the land/main assets and loans of the households are still under men’s control, why? It could be that nobody within the family, community and society looks for a real change. The ones that have the power do not want to lose it and the ones that are unpowered do not do anything for improving this reality in which women are affected the most. For getting a real revolution what it is needed is more than the creation of a group; it needs a change in every member of the family/society so the results can be tangible and fair for everyone.

On the other hand, the advances some households have because of women’s vision in improving their livestock for producing more milk and get more income can’t be devalued, however, it is important to keep in mind that almost all the rural poor women in India are directing their efforts to this area, so not saturating the market has to be considered for starting any income initiative. This is why the interaction among members is useful because sharing ideas give the chance to learn more and clarify doubts.

Govindarajan and Mayandi in 2011 noted that the Self-Help Groups in the broader concept play an active role in social and commercial transformation, income generation and other development activities but the women of this sample said that it is really difficult to have new ideas when the facilities are not good, no water, no electricity, no roads, no transportation, well, a countless list of barriers they face, but, why do not they work together for improving this reality? Why people in the same conditions have done significant changes and these women have not? One of the reasons can be that appropriate market support strategies has not been recognized yet. Women are afraid somehow that the financial source can't be enough for acquiring their goals and they do not feel able to create marketing strategies for the possible products they can offer. There is no doubt: changes are difficult to do, but they are not impossible. If the members do not start soon, other 10 more years will pass without significant results.

○ **Loans**

**Table No. 18: Main differences of loans in the two villages**

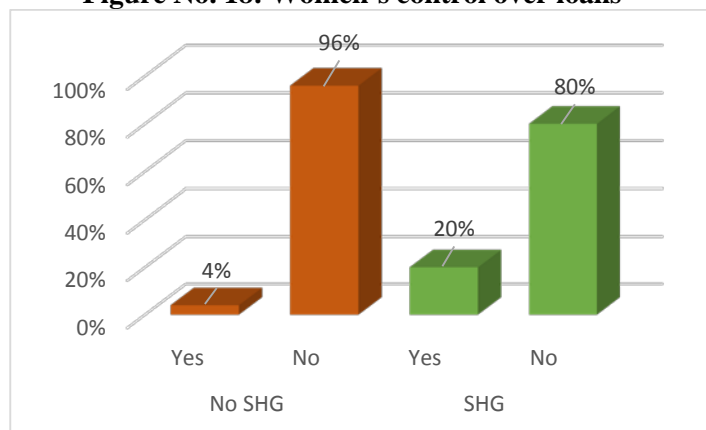
<b>Details</b>	<b>No SHG</b>	<b>SHG</b>
Requester of loans	Man	Woman
Source of loans	Cooperative, community lender or family members	SHG-bank linkage program
Speed of loans	1-2 months	1-2 weeks
Quantity of loans	Rs. 2000 (32,3 USD)	Rs. 4000 (65 USD)
Interest of loans *Banks *Cooperatives *Community lenders	9.5-15%/year 8.5-13%/year 3-5%/month	2%/month
Main use of loans	Agriculture Households' consumption Livestock Health House repairs Education Festivals, and marriage celebration	
Frequency of loans	1-2 per year	2-3 year
Repayment of loans	95%	100%

**Source:** Author

Leelavathi and Aradhana concluded that women were economically empowered after joining Self-Help Groups (Leelavathi & Aradhana, 2006), but being part of a group and ask for a loan will not give any “extra” power if women are not able to decide how to spend that money according to their priorities and not based on the others' needs.



**Figure No. 18: Women's control over loans**



Source: Author

It is surprising to see that women being part of a group which divulges empowerment are still not able to control their loans, only 20% of the members do it what indicates that the change, if existing, is slow. On the other side, in the first village only one woman does it (her husband will ask for it). She is the same person that takes decisions regarding crop production because her husband migrated. For improving this situation, the clue would be to work together within the households, men and women to organize their expenses, needs and wishes. If men do not give the freedom to women to control the loans, they will never learn how to be independent and if they do not trust in their own capacities, then the level of complexity for acquiring empowerment will be higher and instead of walking to the prosperity, the way will be deeper in poverty and exclusion.

o **Income controller**

In both villages the percentage of women that control their income does not differ significantly (No SHG: 24%; SHG: 28%), what confirms that the members of the SHG have not done major improvements in this area. Despite they feel more confident meeting people and sharing feelings, experiences, worries, and problems, this has not been translated into actions where they can speak up with their husbands explaining that they could also be able to manage the income, loans or resources by themselves without any fear so men can trust them and realize a real change.

**Table No. 19: Income receiver in the households**

Detail	Woman		Husband		Son	
	Crops	Livestock	Crops	Livest	Crops	Livest
No SHG	1	11	20	20	4	0
	Handle myself: 1	Handle myself: 5				
	Give it to men: 0	Give it to men: 6				
SHG	0	7	25	18	0	0
	Handle myself: 0	Handle myself: 7				
	Give it to men: 0	Give it to men: 0				

Source: Author

○ **Bank account**

For the women of the sample the implication of having a bank account is related with power since the ones that have it have improved their knowledge of banking, have undertaken banking transactions, and dealt with bank officials. For the ones that do not have it, the situation is totally different because for them the banks and those kind of institutions are related with men.

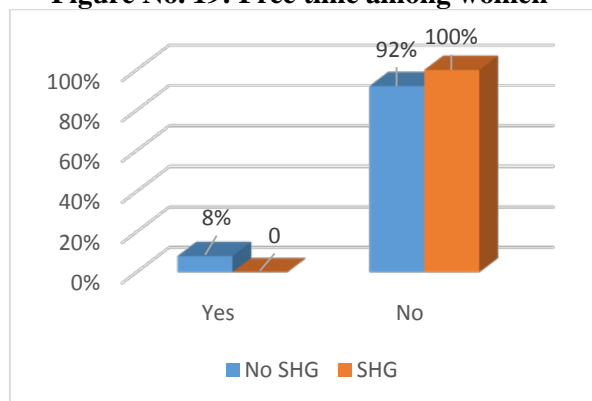
If having a bank account have improved the confidence of the women and their habits to save, it could also be a doubled-edged sword when they can't be the "owners" of it and their husbands or other family members are behind as controllers. It has been seen that women are organized in their savings and accounts and men, most of the time, take the money out for personal expenses not considering the efforts the women are making for collecting that money showing that they, as a couple, do not work as partners, what is really important for achieving communal goals and development.

○ **Savings**

One of the remarkable results of the SHG is that through it, the members have learned how to save regularly. However, it is still not clear if once they are out of the group (if it happens) they will be able to keep this habit since they will not have pressure anymore. Only the ones with internal discipline and possibilities will do it, but considering the situation of the poor rural places, this is a difficult practice to keep. In the first village, for example, even though women have not done the commitment with themselves to deposit a fixed or variable amount during the month and reduce the dependence for external loans, some of them have tried but somehow they need an extra pressure and motivation to keep doing it and make this action a habit.

○ Leisure time

**Figure No. 19: Free time among women**



Source: Author

In both villages women have heavier workloads than men and this situation is taken as “normal”, the “rule”, the “custom” or they are not perceived as “unjust”. It was interesting to see that when a woman wants to be different and fight for her rights, she finds discrimination in the society more from females than males showing that the aspects of tradition and culture are “natural” beliefs which exist beyond discourse or argumentation.

Women from the SHG stated that there has been no change in the attitude of men in helping with the household work. For women and men the roles of each one are given so they, somehow, refuse to change them; more when women are still not able to influence their husbands and sons in sharing the daily household works. If a variation is wanted, there is a need for sensitizing men in these aspects and women have to stop giving extra value for the work men do outside home reducing the importance of the things they do by themselves.

In general, all the women have no free time; only two in the first village Jawamma and Sharada, 70 and 65 years old, respectively have around 2 hours per day for resting, eating or watching TV. The SHG members believe that being part of the group takes time of their day but just when they have to go to the meetings or to the bank. They stated their days are short because they take care of everybody at home and when they have children, they are even busier. Their resting time, if there is a chance, is when the kids are sleeping or playing. IFAD and other international organizations have recognized that in poor households, women usually work longer and harder than men with no leisure time.

**Table No. 20: Women's working time per day**

No.	Working hours	No SHG	SHG
1	At home	8	10
2	In the field	6-8	5-6
3	In livestock	2-3	1-2

Source: Author

○ **Decision making**

Holvat has said that women in SHGs participate actively in decision making (Holvat, 2005), but even though now the women of the group have a stronger position within the family and their husbands consider their opinions more than before for sending their daughters to school and children's marriage, areas in which they used to say any word; the final decisions traditionally are made by men, and this pattern is the same in both villages with no significant changes. What could indicate that even gaining some economic power, the social part is not touched with the same strength because this area is difficult to modify due to some patriarchal rules or traditions that are well rooted.

○ **Leadership**

The actual leader of the group seems to work well with the other members without oppressing them, being a good listener, and giving good advice when needed, some reasons why she has been in that position since the creation of the group. However, in order to move forward for a tangible change in improving women conditions, more efforts are needed for discovering new leadership qualities, ideas and projects to lead the group in a different direction connected with innovation, otherwise the monotony will not allow the members to build a way out of poverty.

In the village without a SHG some women can be considered leaders, but unfortunately they do not feel committed with each other and the perception that women are better being at home is in their minds the whole time. At the end there are a lot of ideas, dreams, and needs to tackle but no one have started with actions. In both places, the characteristics of leadership that are really important for keeping the vision of progress have not been developed.

○ **Mobility**

Being part of the SHG has helped women to go out of their houses without giving too much explanations to their husbands or family. They feel free for moving

inside the village (visiting neighbors and going to the temple) but if they have to go to public spaces such as the market or hospital, they still feel shy or unsafe and they prefer the company of someone, concluding that the panorama does not differ from one village to another. If a woman does not consider she can move without restrictions, then no changes will be done. Indeed, visiting friends and family is important for the social life, but the freedom of mobility needs to have a relation with the public spaces so women could be aware of other realities, other behaviors, and other opportunities. This “going out” could break the image they have about the perfect woman because they can realize females can also be good working outside home and interact with other people. In this way, they could visit the local governmental organizations to know what they can do in favor of the community and how they can contribute for their development knowing what is going on in India and what projects, programs, organizations, and so on can help them to go out of poverty and improve their lives.

This mobility factor is related with collective action that in both places is minimal and almost inexistent. They have a lack of public services such as sanitation, roads, electricity supply, education and health facilities and nothing is being done for improving this reality. One of the reasons for not being active is the mobility restriction women have. For them, being inside home “not caring” about the external world is something that is part of the “rules”. They seem to have internalized their social status as persons of less value than men what has implications in their well-being as well as in the well-being of their female family members. They have accepted or “used to”, under cultural norms, to be inside the house bearing children and sometimes, getting violence by their husbands with no complains. Somehow there is an improvement in the SHG members, but still there is the need to keep working in this issue.

- **Skills/training**

One of the remarkable skills gained being part of the SHG is keeping the books of records, apart from that, the members and the non-members look the same. These villages are missing trainings for improving women’s skills and let them contribute with new ideas that can give some extra value to the community and why not, get in the field of formal and professional education to participate in non-agricultural activities breaking the dependency of agriculture. Trainings would have to be a priority for every poor rural woman so they can learn and socialize with others being able to manage their own life and community projects.

## **1.5. General observations**

Ramachandran and Balakrishnan identified that the SHGs have the power to create a socio economic revolution in the rural areas of India (Ramachandran & Balakrishnan, 2008). Despite of the visible changes in women character and attitude, improving their household's quality of live and sending their children to school are still at the need level and have not been achieved or realized. Existing patterns cannot be expected to change by simply implementing a SHG. It seems that thanks to time and international influence, men and families have accepted women's participation within the households, more than by national initiatives as the creation of SHGs.

Even though in India single-sex groups targeting women's needs are in the boom, it was seen that men, who have been left out of the scope, also want to be part of this "change and grow". They can't be pointed as the bad of the story in a society that has taught/shaped them to get more benefits than women. That is why it would be important to include them in the process of poverty alleviation to have better results and decrease in real way the differences among them and women. Although the economic indicators can give an idea of how is the situation in each village, what matters is to see what is behind these numbers and if change is being done inside doors of each household with the collaboration of its members and inside each woman.

## **II. QUALITATIVE ANALYSIS**

During this study, the researcher spent some time in both villages verifying and checking in which conditions the rural people live. Everywhere in the two studied places children were around really friendly and curious about the new visitor of the village. Even though the researcher did not speak their language, gestures and signals were useful for understanding what they wanted, and most of the time, it was a picture all together.

The infrastructure of the samples looks the same. The roads are not paved and for getting to these villages there are no buses available. The closest bus station is 30 minutes away by car from the village with a SHG and 25 minutes from the village without a SHG. For getting to these communities people have to walk, get a motorcycle or an auto (moto-taxi). The electricity cuts are normal during the day with at least 5 hours with no light (average).

This is one of the reasons for which solar chargers are common among the households in case of emergencies. The villages have two or three wells from where the women go and collect water. In some houses they keep it in a reservoir or in big buckets located in the backyard. In 2010 the government installed a water supply in a strategic location in each village that is supposed to be used as a drinkable water. However, the habitants use it for washing the dishes/clothes, what pollutes and wastes this resource. Most of the houses have one floor with mainly two-three rooms where the family members sleep sharing the space. The toilets have latrines and the kitchens are pretty big where women cook sitting on the floor. There is a special place for praying where the images of the gods are placed with candles, incenses, roses and fruits (mainly coconuts). There is not internet connection and almost every adult person has a basic cellphone.

These villages are surrounded by nature, however, in the middle of the street, in the corners and in the backyards of the houses is common to find garbage (organic and inorganic). Somehow the environment is clean because there is not pollution from cars and there are not factories nearby but commoners are used to stack the garbage in one place and burn it. Every agriculture activity is conventional; for the farmers what is important is to produce as much as possible not paying attention to the quality. They prepare compost with the dung of the cows and feed them mainly with the paddy straw.

## **2.1. Women's stories**

### **2.1.1. Bommanayakanahalli village**

Until the day of the interview, any SHG was created in this village despite the fact that the place has people living under the poverty line or in risk to fall under it. The majority of women agreed that there is a need of this kind of association in the village so the actual situation can improve. However, none of them wanted to take the leadership and start with this project.

Anasuya, a 44 years old lady, the “representative” of the village said: *“No woman wants to be the head of any group because we have to be at home. Our husbands do not want us to be public characters. Of course we need a change to get enough resources and improve our lives, but we are complicated somehow and this change will take time”*. Her husband is the head of the household. She “does not work” but she is in charge of the whole house. When she needs something she has to ask for money from her husband or son. Her daughter is studying at the University in Bangalore, 6 hours

away from the village. *“I want to give to my children all that I could not have. Life has been difficult because I did not study. If I could go back in time, the only thing I would do is study. For that, I want my daughter to be well prepared so when she gets married she will be at the same level with her husband and she will not suffer. My husband is a good person but sometimes I feel like I do not exist because he does not take me into account for some decisions related with the field. In the only area I can take decisions entirely by myself is in what to cook every day”*, she said.

According to her, there is still a lot to do in the field of gender equality and women empowerment. *“I consider myself as an active person and if I do not agree with something I will tell you. That is why somehow I have a place in this house. But in this village, I have seen negative situations were women remain silent and calm in front of any kind of abuse from their husbands and family because they have no option. Their head is down because they do not have any place to go or any income to survive. This is the main reason why we as women do not have power because we are the ones that remain quiet following the rules that men created... or women (I am not sure)... If we as women would be more active, our situation would be different, but if we do not look for change, then nothing will happen”*. Her husband is the owner of 1 ha of land where they have 20 coconuts trees and sugar cane plantation. When the harvest time arrives, he hires people to work in the field (no one in the family does agricultural works). They do not have any livestock and all the income of the family comes from the husband and son, a politician and a doctor, respectively.

During this study, the researcher stayed in Anasuya's home for approximately two weeks. As the investigator, being inside this magic and at the same time turbulent reality, I wanted to go and experience everything that was new. One day one of the neighbors, a 10 years old girl was preparing the donkey for collecting water. It was a shame that I could not speak her language but I tried to explain that I wanted to go as well; fortunately she understood but she told me no. She was sending me back home. Later her mom came and she said why I could not go. The translator told that since I was new in the village I needed a company of a man for going to get water because if I went alone everyone would start gossiping who I was, where I came from, why I was there, and so on, so I did not go.

I wanted to get as much as information as possible, record videos, play with children and take pictures, but I was not as free as I thought I was going to be. One day I told Anasuya I will go and take pictures. I was having a walk in the village



and all the people were asking who I was and where I was from. I did not feel in danger in any moment. After around 15 minutes Anasuya went to look for me and she told me *“it is time to go back home”* (sign language). I tried to explain that I needed more time but she did not allow me. Later on I discovered that it was because I am a woman, and ladies have to be at home. In the firsts days everything was a mix of feelings and I did not understand many things, but then, I tried to see them in the way they do, and finally, I think I did it! It does not mean that I agreed with everything but at least I stopped questioning why this and why that and better see what is beyond their thoughts and attitudes.

In this village getting a credit is a *“man’s responsibility”* but 6 women already have the habit of saving and 3 of them have their own bank account. Sandhia, a 35 years old lady said: *“Two years back I told my husband that I wanted to open a bank account and he supported me. I can’t deny that at the beginning it was difficult because I needed to fill lots of papers. I was lucky because I went to School so I could read and sign, but the situation would have been different if I had have no education. Nobody is there to help and they treat you really bad”*. She has her own money from selling milk and butter, 8lt and 2kg as an average per week, respectively. She tries to expend what she earns just in necessary things (food and health). Her main objective is to save enough money for the marriage of her daughter. *“I try to save some money every week and when I want to take some of it out of the bank, I will talk to my husband first to see his opinion. Sometimes, he does not agree and when it is not urgent, I do not take it, but in other occasions he is the one that needs some money so I have to give it to him. I cannot say no, he is the head of the family”*.

When the question about free time was done, there was always a smile in every women’s face. *“Free time? If we are not cleaning, we are cooking or in the field, or with the animals or with our children, but we are never free”*, said Sadhana, a woman of 43 years old. *“Our lives are full of things to do but we are happy, somehow, at least we are with our animals and field that feed us. We cannot complain too much, that is life”*.

### **2.1.2.A Chalenahalli village**

In 2003, a member of the Indian government visited this village for explaining the objective of empowering women of rural areas through Self-Help Groups. Komala, the leader of the group was 30 years old when she heard about this initiative for the first time. She said: *“I was not sure if being the leader of the group*

*was going to bring me peace or trouble. You know, in a small place everything can happen and gossips are everywhere but someone had to do something for improving our situation, so I decided to give the first step*". For her, the support of her husband and family trust have been the key for the success of this initiative. Since the beginning her husband did not object, and now the support is even greater because he has realized the importance of the group.

*"It was our opportunity for leaving poverty behind", she said. "The government officer visited some houses asking for information regarding our economic situation. I was really interested and talkative so I think that is why she chose me to talk with the other women in the village. After that, she started to visit their neighbors to tell them about this project. She did some kind of survey to each household to see similarities and differences among them. "...It was difficult! It was hard to go house by house explaining something we could do but it was not done yet! I tried to pursue women to be part of this group explaining the benefits it would have, however, most of the families thought I was offering some kind of subsidy or things like that... on the other hand, some women were afraid for the reaction of their husbands. Then, I decided to do a communal meeting in the village where men and women were welcome to see the new project"*.

Komala focused in the most important issues for the family writing all details in a paper provided by the governmental visitor. This preliminary survey that helped to understand the needs of each family took around 3-4 months. Then, she talked to the officer explaining the similar problems they had. After 8 months more or less, the group was formed. It started with 15 members and since then, they have been together. The main benefit for the women was getting loans and Komala was sure they would not have any problem in this area: *"I know my people and I know that we can stop eating if we have a doubt to pay", she said.*

According to her, during these 10 years the governmental support has not been enough. *"Sometimes, the government forgets us and they do not come to visit to see if we are doing well or not. I have tried to go beyond the financial part and start with some training for improving our knowledge but the participation of the members is not active. Some of them have no education are they behave just as listeners and followers of the decisions taken in the meetings with no contribution at all, and that is something that bothers me. I believe we have to do something for moving forward but I feel I have lost some of the energy I had at the beginning", she stated.*

For the correct development and functioning of this Self-Help Group there are some basic rules that every member needs to follow. Each of them has been settled by the group. Since the beginning they wrote them down and they are very basic. Keeping the same rules for everyone has helped to maintain a democratic atmosphere and they refer about:

- Coming regularly to the meetings
- Be on time
- Saving regularly
- Respect one another
- Penalties for delaying the payments

According to these rules the group leadership is based on rotation, but actually, they do not do it in this way. The members of the group have not elected another leader apart from Komala because they are glad with her functions and no one else has manifested her desire for being in that position. In this SHG there are no chairpersons, secretary or treasurer but there is a book writer who keeps the records of savings who was trained by the government officer. After a term (normally two years) a new book writer will be selected. On the other hand, every decision to be taken by the group has to be by consensus rather than voting.

**Table No. 21: Main information of the SHG**

Detail	A Chalenahalli Village
Name of the group	Lakshmidevi Self Help Group
Year of creation	2005
Leader of the group	Komala Chandre Gowda
Age:	42
Education Level:	University (not finished)
Occupation:	Farmer
Number of children	1 (daughter)
Marital status	Married
Number of members	15
Average age	41
Average land size	2,58 acres
Main function	Provide loans
Loan repayment period	3 to 12 months
Number of meetings	2/month
Penalties	
*Non-attendance (prior information)	No fine
*Not attending (no prior information)	Rs. 6 (0,10 USD)
*Not attending without genuine reason	Rs. 4 (0,6 USD)
*Late attendance	Rs. 3 (0,5 USD)
*Non-payment of loan installment	Rs. 12 (0,2 USD)
Organization of the group	Leader
Duration	2 years
Availability of money	2 lacks (3.225 USD)
Loan per member	Rs. 30000 (484 USD)
Interest rate	2 % per month
Use of the loan	Consumption needs Agricultural activity Livestock Marriages House building
Repayment rate	100%
Lender of the group	Kaveri Grameena Bank
*Other SHGs	200
*Average lending/group	Rs. 99000 (1600 USD)
Savings per week	Rs. 20 (0.32 USD cents)
*Total saved amount	Rs. 5,00,000 (8064,5 USD)
Working capital	Savings Interest (savings, loans) Fines Grant/loan (sponsoring bank)
Indian Government Control	Each 6 months
Other benefits	No

Source: Author

➤ **Meetings**

The members are committed to meet regularly every week, but they do it each fifteen days (twice a month). They decide the place, day and time. Meetings are held in each member house according to a rotation system following their

names order. The meetings normally start with a “*pooja*”/prayer and/or song and savings and loans are the main topics. They are led by the leader but all the members can speak freely and comment about their doubts and expectations. Before starting, attendance is taken. Then, the Minutes of the previous meeting is read and members may ratify it or suggest corrections (Tate, 2000, p. 56). If the member cannot go to the bank for the weekly deposit, they can give the money to the bookkeeper or to the leader who will make the deposit (nearest bank: 30 min by bus). Every time a transaction is done (saving, loan, loan repayment, etc.) it is recorded in the individual kardex by the bookkeeper. Members’ attendance in meetings is 90%, however, extra works during peaks in the agriculture sector influence it.

➤ **Savings**

In 2005 the group opened a bank account with its name (Lakshmidevi SHG) and the main signatories were Komala and 2 other members (the first book keeper and the oldest member, Kumari and Parvathamma, respectively). Each women agreed and committed to save Rs. 20 (32 USD cents) per week. At the beginning it was possible by either doing an extra activity like selling milk or cutting down the expenses of the household. Members said that it was complicated, but now, little by little they have a financial discipline and they know they have to save. Here, trust, discipline and responsibility are important.

➤ **Loans**

For requesting a loan the members follow their own lending rules. First, they have to approach to the leader and ask for the money with a written request (existing format). Then, the member has to wait for the next meeting where the whole group will take a common decision, and then, get the money from the bank. This procedure would take nearly two weeks (if everything goes smoothly). What differs from the moneylender who might have the money ready in one or two days. If the loan is not paid on time, the member will pay a fine (Rs. 12-0,2 USD) or the group will take her collateral (usually cattle).

The group has available 2 lacks for loans (offered by the bank) so each member can get up to Rs. 30000 (483 USD) at 2% interest per month. The rate of repayment within this SHG is 100% and until today, they have not had any

member who did not pay. The leader said that this is one of the best characteristics of the group, that even being poor the payment capacity is high.

When a member wants a second loan, regular and timely repayment of the first one is considered as a very important criteria. The member has to submit again a written request explaining the reason of the loan. It will be discussed during the next weekly meeting and final decision will be taken. Depending on the amount and the purpose of it, the group will fix the number of installments for the repayment of it. It is important to keep in mind that the loan repayment by the SHG involves two stages: the first one is by the members to the SHG and the second is by the SHG to the bank.

#### **2.1.2.1. Typical life stories within the group**

During this research many life stories were told. There was a case of a lady of 35 years old in which her husband responded to “almost” every questions. She kept quiet during the whole interview. Researcher and translators tried to get her answers talking directly to her, but her reaction was to keep her eyes in her husband waiting for him to give the answers. The researcher wanted to stop the talking to the man and have it with the woman but he said: *“Sorry, I have to answer because she does not know anything about these details. Everything related to her, you can ask me”*.

This was one typical model where the women remains quiet in front of other people that are not part of the family. The name of the lady of this story is Yanhadha with no education and fully in charge of the house, livestock, and some activities in the field such as transplanting, weeding and harvesting. They cultivate rice and ragi (mainly for self-consumption) and sugar cane and coconut for selling in 2 ha of land. This family has 3 children and the oldest one, 6 years old-boy, is already going to school. In their house there are 7 members including the husband’s father and his younger brother. At that moment of the interview the family did not have any secure income because the husband was without a job. He has some temporary works in

construction or in the field in which he can earn around Rs. 200-300 per task (3,2-5 USD). He said that being part of the SHG is favorable, “...when we need money, we ask for it and then we get it... but the amount is never enough. We always need more and more”.

Their second son is around 3 years old and he has some kind of mental retardation, “We took him to the hospital and the doctor sent some vitamins. He did not do any kind of extra examination of his brain or body. We were supposed to go back 3 months later but we had no money. My only hope is that my son would get better soon, I am always praying to GOD for help”, he said. Two months ago they had a new baby and she has some problems in her eyes. “I want to have more children. At the end my sons will take care of me when I get old. Economic situation is not good now but when my sons grow they will find a work and we will be better”, he affirmed.

Another case was a family of 11 members (8 children). Here, as in the others, the husband is the only one working. Their income is around Rs. 14000/month (226 USD) from selling rice, sugarcane, coconuts, and from extra works in the field. The husband is in charge of getting all the incomes excluding the selling of milk and butter.

Before being a member, Savitha had one cow, now, she has 2 cows, 2 sheep and 1 goat. These animals live outside home tied with a rope, there is no stall. She sells around 2-3 litters of milk/day at Rs. 21/each (0,33 USD cents) and around 2-3 kg of butter/week at Rs. 100/each (1,60 USD). Some milk is for household consumption and for preparing cheese, when possible. 3 of her oldest children (2 girls- 1 boy) are attending to School. One year ago another daughter was attending too but her performance was not good so now she helps with the cattle.

Generally speaking, Savitha seems happy for being part of the SHG. She said this is an “easy” way to get some money from the banks without being excluded for being a woman, a poor woman. According to her, this space has helped her to be more social and get more value from her husband. She told that before he used to take decisions by himself but now they talk more about family issues. When they want to

ask for a loan they will sit together and plan what to do with the money and how to pay it back, situation that was not like this before. Her biggest desire is to have more women in the group so they can enjoy the same positive changes she has. She said there are still lots to do in her village, in a place where women abuse is still normal because gender inequality is considered a “rule”. Her future plans are to be the leader of the group and incorporate some training programs about elaboration of butter and cheese, “*I am an expert on this*”, she said.

She has some projects in mind about dairy production: milk, butter, ghee, cheese and curd are some of the products that can be done becoming an important source of food and income when it is marketed. Savitha’s idea is to train the members by herself on how to prepare those products. First, she will see the ability of the women and their response to it because “*not all the women are engaged with the idea of a better future*”, she said, but there are members that like the challenges. Her main objective is to ensure fair incomes and keep them for investing in business. She seems to be a good leader, and the only hope is that she will do what she has in mind getting the support of the other members.

The women of the group agreed that there has been some positive changes after joining the group. At the beginning many of them did not know how to sign their names and now they are able to do it. They consider that the saving activity should continue forever because through it they have gotten some knowledge about banking systems and they could meet each one frequently, situation that has improved their self-confidence and organized themselves better.

#### **2.1.2.2. Things to improve**

Although SHGs give the opportunity to participate in several training camps, this group does not do it and their focus is on savings and loans. According to Komala, there is not desire from the members to learn, for example, how to read and write, so she has not done any improvement in this field, “*For getting a training I have to approach to the*



*government or to an NGO and start with the process. This will take time and money and if nobody is interested, there is no motivation for me to do it”, she said. This shows that the goal to promote and enable women to take responsibilities of change in community development is not fully achieved and it is not reflected in their daily life (Kitchin, 2000, p. 67).*

It seems that the members are satisfied enough if they can get the amount of money they need on time. Until now, they have not gotten any consciousness about the importance of education and training, situation that is linked to the use of the loans. How can it be possible that a person without education and without going out of the four walls can be able to start with some ideas about micro-enterprises? It is not for saying that they are not able, but not all of them have that leadership and entrepreneurship spirit for starting something from zero (Mansuri & Rao, 2012).

Even though NGOs are working in the whole India for promoting and improving the development of these groups, this SHG is a sample that not all of the members of the movement are considered for trainings and skills development. If the situation continues like this, the objective of empowering women in the social sphere will not be reached giving a free pass to the economic side to fulfill most of the “money” needs of the households but not creating a real revolution where the human being is placed first than the capital.

At the end, if the members do not try to improve the things by themselves realizing the importance of the opportunities they are losing, no one from the government, NGOs or other institutions can impose their way of thinking on them. The only concern is that if this reality is the same in other villages, districts or states, then the movement considered as a tool for reducing poverty will go directly to the “oblivion files”, place that most of the time is ignored by politicians, policy makers and researchers and with time, another technique/mechanism/approach will appear assuring that poverty will be eradicated but at the end, it will just be a false promise again.

## **CHAPTER V**

### **CONCLUSIONS**

After concluding this research, some gaps between intentions and results from the movement were found, underlining that being part of a SHG does not automatically lead to greater economic autonomy for poor rural women. It cannot be assumed in a simple way that women will take control over loans and additional incomes just because they belong to a group. To achieve noticeable changes in their position within the household and the community; education, training and awareness-building programs are some of the measures that are missing in the studied group and have to be taken into consideration.

This study attempted to determine if rural women of a SHG are more empowered compared to non-members and the answer of this research question is yes. Indeed, the SHG approach is helping its members but some similarities and differences were found between the two samples. In the saving area, for instance, all the women from the SHG have learned the importance of keeping savings for some unexpected situations, what have changed, somehow, their short term view of life. While in the first village 24% of the interviewed women try to save a little amount (average Rs. 38-0,6 USD) per week, 44% of the members of the SHG save an average of Rs. 56 (0,9 USD) per week apart from the weekly amount they deposit in the group (Rs. 20). Saving regularly and keeping this habit is a step in the way of economic empowerment giving women some freedom to use their money for their needs.

Another significant difference was found in the number of women holding an account in the banks. 88% of the non-members do not have an account mainly because they are reluctant to visit the bank for their low level of literacy; while in the SHG all the members have it. In one side, having an account has helped women to increase their self-confidence improving their knowledge of banking, transactions, and dealing with the bank officials, but in the other side, they are still not able to use this tool in an individual way without the control or supervision of the husband since 84% do not manage their savings as they wish because before any transaction, the husbands/sons' opinions will be consulted, and this reality is the same in the two villages.

One of the main benefits that the SHG has compared to the other village is that this group that has been neglected by the formal financial agencies in the past, now is linked with the banking services allowing the members to have access to loans, putting money in women's hands for combating poverty and changing preconceived concepts within the patriarchal society. In the first

village, on the contrary, the men will ask for money mainly to community lenders. Even though the sources of the loans are different, in both places the money is used mainly for agriculture and household consumption. In the SHG, 12% of the women take the decision of taking a loan and what to do with it completely or mainly by themselves, what shows some kind of improvement comparing with the 100% of women with no SHG that can't get any loan by themselves. Despite this positive change, inside the SHG 80% of the women lose control over their loans what creates that this "help" has no significant transformation for their lives due to asking for a loan does not give any "extra" power if they can't decide how to spend it according to their priorities. Even being part of the SHG, still 12% of the members have not cut the dependence with moneylenders what question how effective this movement can be for linking the poor women with access to credits.

In both villages the men receive all the income from marketing the crops, what shows that the women of the SHG are still dependent on them for getting money and cover certain needs. Nevertheless, some changes are being done in the two places. In the SHG, 7 members sell their livestock products and keep the earnings (Rs. 221-3,6 USD). If well these figures indicate some kind of improvement that could empower women economically, the change is not considerable compared with the village with no SHG where 5 women also keep their earnings (average Rs. 296-4,7 USD). In this way, women from both places are almost in the same level managing their earnings, what was not expected because it could be an indicator that the SHG has not done any improvement in teaching the members how to control and administrate their incomes.

On the other hand, for the women of the SHG time has passed and the land/main assets of the household are still under men's control, showing that the creation of this group has not brought changes in this area up to now. If women's lack of control over family assets is not challenged, then the formation of the SHG may fail to its promise about empowerment.

This study did not inquire about the changes in time of the income of the households. However, it was surprising that the village without a SHG has a higher income than the one with a SHG with Rs. 140000 (2258 USD-188,2/month) and Rs. 112900 (1821 USD-151,7/month), respectively. Even if both of them share almost the same characteristics of infrastructure, society, environment, and economy; members are actually on average less wealthy than the non-members. For linking this fact with being or not being a member of the SHG, further research is needed.

Even though the level of literacy is higher among the members of the SHG with 68% compared with the non-members with 36%, this advantage has not been considered as a tool for

achieving greater level of empowerment in the areas related with decision making and leadership. The level of education has not been improved because the group is focused in the concept of savings and loans without a real and strong commitment to identify what the women of the group lack realizing that the mere availability of funds is not likely to eradicate rural poverty (Venkateshmurthy & Dinesh 2009, p. 267). If corrections are not done on time or the existing policies/programs interventions are not adequate, then no changes can be expected within this area.

In the field of decision making, women from the SHG seemed to be more empowered than the non-members. 48% of them have a voice in the areas of settling marriages, purchase/sale of assets, family savings, children's education, and livestock acquisition/selling, while 16% of the non-members feel free to take decisions just regarding the education of their children (mainly girls). However, in both places, there is no difference in the areas related with crop production and agriculture that are seldom touched by women and the final decisions are still made by husbands. If indeed there is an improvement in the decision making inside the household, this pattern has to spread in the other activities too where women can contribute with their opinion, knowledge and experience.

A significant difference was found among the members of the SHG in the level of their self-confidence since they feel more open to meet new people, share their feelings, experiences and worries than the group of women without a SHG. 44% of them believe that their communication skills have improved, as well as their quality of live, and social status. They have learned to sign, to speak to visitors and to attend to meetings developing their social interaction sphere better than the non-members. A high self-esteem with unbreakable roots is needed for playing a proactive role in changing the structures and processes of decision making, which have to be more inclusive, fair, democratic and participatory challenging the norms of a patriarchal and male-dominated society like India. Nonetheless, during the interview there were some women really shy to speak and to have direct eye contact with the researcher, what indicates that the remaining 36% of the members need special attention for improving in this area.

Another favorable contribution of the SHG that was not found in the other village is that 76% of the women feel freer to leave their houses without permission or without giving too much explanations to their families compared to the almost 60% of the non-members that rarely leave their homes. Even though this freedom is mostly for moving inside the village, great changes start with small details. The next step would be to apply this freedom also for going to public spaces

without any company so little by little women will be aware that there is “life outside home” and they will involve in social activities improving their way of feeling with themselves.

Despite the progress found in some areas, in this sample, the SHG approach has not succeed in developing leadership, trainings, awareness, and collective action among the members as motors of change in the community. In both villages, for example, there are problems with alcoholism, water and sanitation, and electricity supply, and nothing is being done for improving this reality, showing that collective action for both places is inexistent. There are not good leaders for taking the first step and women are not aware of their rights. Here, members and the non-members are at the same level showing that the existing patterns cannot be expected to change by simply implementing a SHG.

Minimal difference was found in the level of awareness and political participation among the members and non-members. Around 64% of the members still lack a proper knowledge about the various government schemes for employment and income generation. The awareness level about the local planning and legal rights is an area which is almost neglected. Regarding membership in the political process, all the women of the sample are not involved on it showing that the participation of the members and non-members in the local planning, decision making and implementation of development programs in the area is nil. This panorama confirms that a SHG can be an engine of growth and women empowerment ONLY when proper training is given.

Empowerment needs to go together with information, and this is something the members of the group are missing and without it, no development can take form. This SHG succeed in organizing the poor women to get together but it is not creating opportunities for them to participate into income earning activities. If the members do not start creating income, they could not go out of poverty. To achieve this, a spirit of self and mutual help is needed if the great promises of poverty reduction and empowerment want to become true. Unfortunately, until now the studied SHG is not taking efforts to help the members to identify suitable income-generating activities based on their skills and aptitudes and this should be the next step to follow trying to focus on several activities, particularly dairy, handicrafts and pickle/sweets making which have enormous possibilities of growth in the zone using the available raw material, resources, and market channels.

In the domestic violence area some improvements can be seen in favour of the members of the SHG, but not because the group is doing something, rather because the men have realized the value women have or they are afraid their wives can go and tell everything to the other members.

Still, around 24% of the members suffer from violence from their husbands, while the figure increases to 64% among the non-members. This can give a small signal that *per se* being part of a group can change the perception men have about women, but the results would be even better if some campaigns or lectures are organized to stop this gender abuse and liberate women from this “fear” they have since they are children. Women of both villages do not realize yet that they have to be the protagonists of change through their individual and collective efforts to break the culture of silence and leave behind the idea of passiveness.

One of the disadvantages of the SHG is that it does not take into account the poorest of the poor of the community. It was seen that the very poor women of the village were not part of the group because their economic capacity was bad for being able to have a fixed amount per week as savings; what shows that women who are already relatively more empowered are more likely to join this kind of initiatives. This is a clear sign that the movement that proclaims the formation of groups to fight against exclusion, poverty and inequalities, is leaving out the people that really need help (Govindarajan & Mayandi, 2011, p. 76). Nevertheless, some corrections could be done to give a voice for those ones that until now have been untouched by the wind of change. To reduce these barriers flexibility would be needed to allow varying deposits and frequency, perhaps with some rules and norms; in this aspect, the poorer the women the more careful the guidance needs to be (Kay, 2002, p. 80).

The above finding is a reality happening in a village of Karnataka state which is widely acknowledged as the region where the movement of the SHGs started. The question that rises here is that if the situation of this group is not as positive as some researchers show, then how the other groups from the poorest regions of the country are? If the Self-Help Groups are expected to make a significant contribution to poverty alleviation and empower the members in economic, social and political spheres, why is it not happening? One of the reasons can be that there is a great distance between the goals enunciated in the policies, plans, and programs where the discourse that started from more than 20 years back has not had any amendments in favour of the poor and in the actions that are being taken.

Since 2013, the Lakshmidēvi SHG has not received any visit from the bank/government staff and the surprising finding was that the members of the group have not approached to them to remind their existence. If the government of India really wants to build a process of change, then monthly visits are required to refresh to the group’s members their main aims. The idea would be to set strong bases so women can keep working on them, if not, the SHG will be just a group of

women with no clear vision of what to do and where to go as they are today. What is important to clarify is that if women of the group do not search for help, then nobody will change something they do not want to.

In the village with the SHG, it was seen that men are more likely to support approaches of women's empowerment if they are also benefitted. The promoters of the movement need to realize that without men's involvement, women are unlikely to gain new rights. People are aware that poverty creates similar problem for all without paying attention to the caste, gender, community or religion, so why not including men in this process of change? Empowerment could have a real meaning and exist at every level of the society to develop a two-way relationship: from empowerment to development and vice-versa ONLY if men and women joint efforts. The objective now would be to change this "win/lose" scenario where women's gains are seen as men's losses to the "win/win" margin where the benefits are for women, men, families and communities, creating significant inter-generational benefits (The World Micro Credit Summit, 1997, p. 145).

This SHG is a sample that the promoters of this movement have not paid full attention to the quality of the groups that have been created and this could be one of the reasons why the development of the SHGs is not homogeneous in the entire country. To avoid this issue, the policy makers and government staff need to clarify the vision of the movement and start working for it in a practical way reducing the gap between the purpose of the project and its application where a time line would be useful for observing the development of every stage of the group and intervene when needed knowing exactly the requirements of each group recognizing that the socio economic conditions of the poor are divergent and no uniform solution could be applied.

Finally, Lakshmidēvi SHG has achieved some improvements in the member's attitudes and way of thinking mainly about education and self-confidence what shows that this group is benefiting rural women but not in the same level to all of them. According to the United Nations women empowerment is "*the process by which women take control and ownership of their lives through expansion of their choices*", and in this case, the women of the SHG are in this process. Notwithstanding, still the access to information and resources is lacking what does not allow to have different options for making choices and get a positive thinking to create changes. To obtain a real empowerment there is the need to have the family support, capacity building, land rights, access to ICT tools, management training, among others, otherwise no empowerment will be achieved. Decades of passivity cannot be solved in just some years, it needs time, cooperation and determination. The unmistakable achievements in areas like education and health show that

progress is possible, but the continued disparities in others such as income control and decision-making within the household indicate that remains a lot to do.

From this investigation new questions may arise for what future research could be in charge of going further and get more evidence about the benefits of this movement in India and the changes poor rural women are experiencing for being empowered.



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## ANNEXES

### A. Women empowerment in Karnataka, India (Questionnaire)

#### I. GENERAL INFORMATION

Date: \_\_\_\_\_ Name: \_\_\_\_\_  
Age: \_\_\_\_\_ Marital status: \_\_\_\_\_  
State: \_\_\_\_\_ District: \_\_\_\_\_ Village: \_\_\_\_\_

#### II. ECONOMIC SITUATION

- Educational level:** None \_\_\_ School \_\_\_ Secondary \_\_\_ University \_\_\_
- Family size:** \_\_\_ No. of children \_\_\_\_\_ No. of adults \_\_\_\_\_
- Number of family members engaged in farming:** \_\_\_\_\_
- Sources of income:** Agriculture \_\_\_ Off farm activities: \_\_\_  
Own business: \_\_\_ Others: \_\_\_
- What is your annual income? Rs.** \_\_\_\_\_

#### III. FARMING INFORMATION

- Which kind of crops do you produce?** Rice: \_\_\_ Ragi \_\_\_ Vegetables \_\_\_  
Sugar cane \_\_\_ Fruits \_\_\_\_\_ Others/please specify: \_\_\_\_\_
- Are the crops produced for commercial purposes \_\_\_ or self-consumption \_\_\_
- What quantity do you produce?** \_\_\_\_\_
- What quantity do you sell?** \_\_\_\_\_
- How do you market your crops?**
  - Direct \_\_\_\_\_
  - Through middle men \_\_\_\_\_
  - Through agencies \_\_\_\_\_
- Who receives the payment?** Woman \_\_\_ Husband \_\_\_ Son \_\_\_ Others: \_\_\_  
If it is you, what do you do with it?
  - I will handle by myself \_\_\_\_\_
  - I will give it to men in the family \_\_\_\_\_
- Farm size** \_\_\_\_\_ acres
- Who is the owner of:**

	Me	Husband	Son	Father In law	Daughter	Other
Land						
Livestock						
Housing						
Farm equipment						
Vehicle/moto						



#### IV. WOMEN EMPOWERMENT

14. Who is the family head? Husband \_\_\_ Wife \_\_\_\_\_ Other \_\_\_\_\_
15. Who takes decisions regarding the farm? Woman \_\_\_ Man \_\_\_ Son \_\_\_ Others \_\_\_\_\_
16. Since when are you a farmer? \_\_\_\_\_
17. Are you a member of any Cooperative or Farmer's Union in the area? Yes\_No\_  
If yes, which one? \_\_\_\_\_ Main purpose \_\_\_\_\_
18. Do you have any debts? Yes \_\_\_ quantity (Rs.\_\_\_\_\_) No \_\_\_
19. Have you been part of women empowerments projects? Yes \_\_\_ No \_\_\_  
If yes, specify: \_\_\_\_\_
20. What are your main activities in the farm?
- a) Vegetables gardening \_\_\_\_\_
  - b) Animal husbandry \_\_\_\_\_
  - c) Processing activities \_\_\_\_\_
  - d) Others \_\_\_\_\_
21. Do you give any added value to your products? Yes \_\_\_ No \_\_\_  
If yes, in which form? \_\_\_\_\_
22. Is the salary of the women the same as the men? Yes \_\_\_ No \_\_\_  
How much is it per month? \_\_\_\_\_
23. Do you have access to credit? Yes \_\_\_ No \_\_\_  
If not, why? \_\_\_\_\_
24. Do you have a bank account? Yes \_\_\_ No \_\_\_
25. Do you have your own money on which you can decide what to spend on?  
Yes \_\_\_ No \_\_\_
26. Do you have your own savings? Yes \_\_\_ No \_\_\_
27. Do you keep record of your income and expenses? Yes \_\_\_ No \_\_\_

#### V. SELF-HELP GROUPS

28. Are you a member of a self-help group? Yes \_\_\_ (since when: \_\_\_\_\_) No \_\_\_
29. What are the benefits of joining this group?
- a) Loans \_\_\_ quantity (Rs.\_\_\_\_\_) interest per year (\_\_\_\_%)
  - b) Skills development \_\_\_\_\_
  - c) Women empowerment \_\_\_\_\_
  - d) Others \_\_\_\_\_

**30. What are the disadvantages of joining this group?**

- a) Exclusion of the poorest \_\_\_\_
- b) Patriarchal system \_\_\_\_
- c) No-transparent management \_\_\_\_
- d) Others \_\_\_\_

**31. Being part of a SHG has improved your life?** Yes \_\_\_\_ No \_\_\_\_

**32. Would you recommend to other women to be part of these groups?** Yes\_ No\_

**33. Your family members agree that you are part of this group?** Yes \_\_\_\_ No \_\_\_\_

## **B. Semi-structured questions**

### **ECONOMY**

For what do you spend your money? Do you buy things for yourself?  
Do you need the permission of your husband?

### **LOANS**

Are the loans used by your own?  
Do you get loans from money lenders? Why?  
For what do you use the loans?  
Have you taken loans for income generation activities?

### **DECISIONS**

Do you take decisions alone?  
Can you decide on buying land, cattle, moto, repair the house?  
Can you decide how many children do you want to have?

### **PERSONAL**

Would you like to start studying?  
Would you change something about your life?  
Have you suffered some kind of violence from your husband?  
Do you get some help in household work?  
Does your family recognize the value of your household work?  
Do you feel shy speaking in front of others?  
What do you do for fun/rest?

### **MOBILITY**

Do you go to the market/hospital/friends/family alone?  
Can you work outside home? Have you done it? Why?

### **AWARENESS/PARTICIPATION**

Do you know the names of the politicians in the country/village?  
What do you know about SHGs?  
Have you led any protest against unfair situation in the village/family? (divorce, abandonment)  
Do you claim when you are not happy/satisfied with something? (prices, quality, treatment)?  
Have you been elected president/leader of any group/association?  
Are you a member of any other social/ religious organization/group? Leadership position?  
Are you aware about:  
1. A daughter, widow and mother can inherit paternal property as equal to sons  
2. Widows and divorced women are entitled to remarry  
3. Marriageable age for girls is 18 and for boys it is 21  
4. Dowry giving accepting are prohibited  
5. Women are entitled to get equal wage with men for same type of work  
6. Right to education is a right for the child  
7. Developmental programmes of the government

### **SELF HELP GROUP**

Who/what motivated you to become a member?  
Are there any dropouts in your SHG? Reasons?  
Are the attendance registers, account Books and reports properly maintained?  
Are they available to any member?  
Have you examined any of these during the last six months?  
From where do you find money to deposit weekly?

What is the degree of change in decision making in family after you became member?

Who selects the beneficiary/interests for loans?

If somebody defaults in loans repayment who decides the fine or punishment?

If some problem arises in the SHG who solves it?

If the SHG ceases to exist or you leave, will you continue saving?

Have you worked together for solving community problems? Is there any change?

How much change has occurred in you regarding the following skills/ abilities?

1. Freely and frankly speaking in SHG meetings
2. Teaching / Training someone else
3. Speaking during public meetings
4. Taking up leadership positions in the SHG
5. Writing minutes of SHG meetings
6. Keeping of the accounts of SHG
7. Performing bank transactions
8. Going to government office / police station

If possible: Are you happy with your life?

## C. Photos of the villages

### Bommanayakanahalli (No SHG)

\* Interview with women



\* The well of the village



\*Typical house



\*Woman milking



\*Friendly neighbors



\*Woman collecting water



\*Coconut field



\*Stall of the livestock



Source: Author



## A Chalenahalli (SHG)

\*Women from the Self-Help Group



\* Women during the interviews



\*Coconut storage (home)



\*Companions of women during the research



\*Stall of the livestock



\*Well in the village

