



# Investment Behaviour of Rural Women in Anantapuramu District, Andhra Pradesh: A Study on Self-Help Group (SHG) Members

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## Abstract

The investment behaviour of rural women plays a significant role in improving household income and promoting economic development, particularly in rural areas like Anantapuramu District, Andhra Pradesh. This study focuses on examining the investment behaviour of rural women who are members of Self-Help Groups (SHGs) and their role in fostering financial growth. SHGs have emerged as a powerful instrument for empowering women by promoting savings, providing microfinance, and encouraging income-generating activities. However, despite their active involvement in various economic activities, rural women still face challenges such as limited decision-making power, lack of exposure to investment avenues, and dependency on male family members. This study aims to analyse the factors influencing the investment behaviour of rural women in Anantapuramu District, assess their investment patterns, and explore the role of SHGs in enhancing their financial independence. The findings indicate that women primarily prefer low-risk investment options such as fixed deposits, post office savings, chit funds, and life insurance due to their financial security concerns. The study suggests that providing better access to financial resources, investment training, and promoting diversified investment options can enhance their financial well-being and contribute to the overall economic development of the district. Therefore, strengthening SHG initiatives and increasing awareness about profitable investment opportunities is crucial for ensuring long-term financial sustainability for rural women in Anantapuramu District.

**Key words:** Investment Behaviour, Rural Women, Self-Help Groups (SHGs)

## Introduction

The world has changed, mannerisms and customs have evolved, and even fundamental human attributes have shifted over the past few years. However, one constant remains: the necessity of money and the frequent challenges associated with financial management. Investment behaviour, which refers to the pattern in which individuals allocate their financial resources across different investment avenues, plays a crucial role in ensuring economic stability and financial independence. Studies have consistently shown that women's participation in investment activities, especially in rural areas, is influenced by several socio-economic factors such as income level, education, family structure, and traditional gender roles. In India, particularly in rural areas like Anantapuramu District, the investment behaviour of women, particularly Self-Help Group (SHG) members, is shaped by limited financial resources, social norms, and dependence on male family members for financial decisions. However, the growing role of SHGs has brought a transformative change in women's participation in economic activities and investment practices.

Women constitute nearly half of the population in Anantapuramu District and play a pivotal role in driving the region's economic and social development. Women in rural areas have long been recognized for their capability to efficiently manage household expenses and ensure the financial security of their families. Their decision-making is often influenced by long-term sustainability, risk aversion, and the welfare of their families. In recent years, the formation and functioning of Self-Help Groups (SHGs) have significantly influenced the investment behaviour of rural women in the district. Programs like Indira KranthiPatham (IKP) and Mission for Elimination of Poverty in Municipal Areas (MEPMA) have actively promoted SHGs,

enabling women to access microfinance and engage in small-scale business activities, thereby transforming them from passive income users to active financial contributors. The emergence of micro-entrepreneurship, dairy farming, handloom weaving, and small-scale industries managed by women has substantially contributed to the household income and local economy in Anantapuramu District.

Despite their increasing involvement in economic activities, women in rural Anantapuramu District still encounter considerable barriers when it comes to independent investment decision-making. The influence of traditional norms, low literacy levels, lack of exposure to financial markets, and limited access to formal investment channels often result in male family members dominating financial decisions. This dynamic has hindered women from fully realizing their potential as independent investors. However, SHGs have become instrumental in bridging this gap by promoting savings, microfinance access, and collective investment behaviour. SHG members have shown remarkable financial prudence and risk management when it comes to making investment choices, often opting for safe and long-term savings avenues such as fixed deposits, recurring deposits, and chit funds. Additionally, many women have started investing in small businesses, livestock, and agriculture-based enterprises, which have not only improved their family's financial status but also contributed to the local economy.

The role of SHGs in enhancing the investment behaviour of rural women in Anantapuramu District is undeniable. By pooling small savings, facilitating access to credit, and promoting entrepreneurial activities, these groups have empowered women to engage in income-generating activities and make independent investment decisions. Moreover, the support provided by government-sponsored programs like Pavalavaddi Scheme, StreeNidhi Scheme, and various microfinance initiatives has further boosted women's financial participation. These initiatives have not only increased women's confidence in making investment decisions but have also led to a positive shift in their financial status. Encouraging investment behaviour among rural women in Anantapuramu District is crucial for driving sustainable economic growth. Promoting small-scale enterprises, agricultural investments, and micro-businesses through SHGs can significantly contribute to the economic resilience of rural households. Ensuring that women have easy access to affordable credit, business training, and knowledge of various investment opportunities will enable them to make informed financial decisions and achieve financial independence. When women actively participate in investment activities, it leads to inclusive growth, improved household income, and better living standards for their families.

## Review of Literature

**Babbar (2022)** said that, the status of women's empowerment is relatively poor. Women and men should be given equal rights. Women empowerment will be effective only when women get the right to make themselves capable and become self-reliant, they will create a separate identity for themselves in society. Women's empowerment is a concern for the country and the world in the 21st century. Government schemes are not enough to fulfil them. The whole society has to make an effort

**Chanth (2018)** analysed in his thesis that, in this study, the women empowerment programs made by the government and which empowerment can be done best by women have been studied. It has been found in the data that 8per cent of the women were the heads of their families, 14per cent of women were illiterate, and not a single woman had received higher education. Most of the women used to earn Rs 10000 to Rs 15000 per month. Most of the women were taking advantage of the government's women empowerment-related schemes. The economic empowerment of women was highest and psychological and legal empowerment was lowest. The paired ranking method was used to conduct this analysis. Respondents also reported that they face difficulty in marketing their goods.

**Chaudhary & Kumar (2019)** described that Women will not understand their values and rights until they are educated. The purpose of women's empowerment is to get higher education for women, get good health facilities, get property rights, and get self-reliance, self-confidence, and self-respect. The NDA Government started the BetiBachaoBetiPadhao campaign, which aims to make girls financially and socially self-dependent.

**Das (2023)** has told in his research that the educational level of women in rural areas has not increased. Although the literacy level has increased. Most of the respondents had received primary-level education. Question Respondents Had Graduation Level Education. Gender diversity is also seen more at the rural level. The enrolment rate of boys was higher than that of girls. The main reason why girls could not complete their studies is their marriage. Kanya Shree Yojana is an ambitious scheme made by the government to reduce the dropout level of girls. the study tells us that most of the respondents are housewives and financially completely dependent on their husbands. Due to not being financially independent, they have less decision-making power and they do not have the right to decide about physical

mobility. women left their studies midway due to the poor economic condition of the house. That's why women need to be educated for the empowerment of women.

## Objectives

1. To analyse the financial decision-making patterns of rural working women and the factors shaping their investment behaviour.
2. To evaluate the awareness and accessibility of investment opportunities among rural working women for informed financial empowerment.

## Statement of the Problem

The investment behaviour of rural women in Anantapuramu District, Andhra Pradesh, particularly Self-Help Group (SHG) members, plays a crucial role in enhancing their economic stability and social empowerment. Despite their active participation in income-generating activities, their investment choices remain limited due to a lack of awareness, low financial decision-making power, and traditional socio-cultural norms. Although government schemes like Indira KranthiPatham (IKP) and Mission for Elimination of Poverty in Municipal Areas (MEPMA) aim to promote financial inclusion, most women still rely on conventional saving methods, missing potential growth opportunities. Understanding their investment behaviour, challenges, and preferences is essential to design effective financial products and strategies. This study aims to explore the factors influencing their investment decisions, analyse their investment patterns, and suggest measures to enhance their financial security, promoting sustainable economic development in the region.

## Hypothesis

**H<sub>0</sub>:** There is no significant relationship between the investment behaviour of rural women and their participation in Self-Help Groups (SHGs) in Anantapuramu District.

**H<sub>1</sub>:** There is a significant relationship between the investment behaviour of rural women and their participation in Self-Help Groups (SHGs) in Anantapuramu District.

## Research Methodology

Research methodology is a systematic way of studying materials and sources to find facts and reach new conclusions. It helps in gaining knowledge about people, culture, and society and using this knowledge for practical applications. The data for this study was collected from both primary and secondary sources. Secondary data was taken from research papers, journals, books, internet sources, and government reports. Primary data was gathered through a questionnaire method from working women in rural areas of Anantapur District. The study focused on women engaged in business, self-employment, and other independent income-generating activities. Most of the respondents belonged to middle-class families in rural areas. The data collection followed the convenience sampling method, with a total of 153 respondents. The collected data were analyzed using statistical methods like percentage analysis and other measures through SPSS software.

## Data Analysis and Interpretation

The age-wise distribution of respondents in self-help groups (SHGs) in rural areas of Anantapuramu district shows that the majority, constituting 35.9per cent, belong to the age group of 41-50 years, indicating that middle-aged women are more actively participating in SHG activities. This could be due to their experience, social responsibility, and financial needs, motivating them to engage in income-generating activities. Around 32per cent of the respondents are aged between 31-40 years, reflecting the involvement of relatively younger women who may aim to support their families economically

table -1: age of respondents

Age	No. of Respondents	Percent
18-30	22	14.4
31-40	49	32.0
41-50	55	35.9
Above 50 years	27	17.6
Total	153	100

**Source:** Collected and compiled from Field Study

Additionally, 14.4per cent of the respondents are from the age group of 18-30 years, indicating lesser participation from younger women, possibly due to educational pursuits or family responsibilities. The respondents aged above 50 years constitute 17.6per cent, signifying the involvement of elderly women who



may contribute through their traditional knowledge and skills. The data suggests that middle-aged women dominate the SHG activities, emphasizing the need to encourage younger women to actively participate for long-term sustainability and economic empowerment in rural areas.

### Occupational Distribution

The occupational distribution of respondents in self-help groups (SHGs) in rural areas of Anantapuramu district indicates that a majority, accounting for 51.6per cent, are sole proprietors, reflecting their active involvement in self-employment activities such as small businesses, tailoring, or handicrafts to support their families financially. This highlights the significant role of SHGs in promoting entrepreneurship among rural women. Around 19per cent of the respondents are engaged in professional activities like teaching, healthcare, or other skilled services, showcasing their contribution to rural development.

table -3: occupational distribution of self-help group (SHG) members in rural areas of anantapuramu district

Occupation	No. of Respondents	Percentage
Private employee	27	17.6
Sole proprietor	79	51.6
Service	18	11.8
Profession	29	19.0
Total	153	100

**Source:** Collected and compiled from Field Study

Additionally, 17.6per cent of the respondents work as private employees, indicating that a portion of the members seek financial stability through external employment while still being associated with SHG activities. About 11.8per cent of the respondents are involved in service-oriented jobs, such as working in local shops or assisting in small-scale industries, reflecting their dependency on local employment opportunities. The data clearly shows that self-employment is the major source of livelihood among SHG members, emphasizing the need for continuous support, training, and financial assistance to enhance their entrepreneurial skills and overall economic development.

### Annual Income

The annual income distribution of self-help group (SHG) members in rural areas of Anantapuramu district reveals that a significant portion, accounting for 45.1per cent, earns between Rs.1,20,001 to Rs.2,40,000 annually, indicating that most members have a moderate-income level through their self-employment and group activities. Around 39.2per cent of the respondents fall under the income group of Rs.60,000 to Rs.1,20,000, reflecting the financial challenges faced by a large segment of SHG members, where their earnings are relatively low and insufficient to meet growing household expenses.

table -4: annual income distribution of self-help group (shg) members in rural areas

Annual Income	No. of Respondents	Percentage
60,000 To 1,20,000	58	39.2
1,20,0001 To 2,40,000	73	45.1
2,40,0001To 3,60,000	17	12.4
Above 3,60,000	5	3.3
Total	153	100

**Source:** Collected and compiled from Field Study

Additionally, 12.4per cnt of the respondents earn between Rs.2,40,001 to Rs.3,60,000, indicating that a smaller section has achieved higher financial stability through enhanced business opportunities and better market access. Only 3.3per cent of the respondents have an annual income above Rs.3,60,000, reflecting the limited scope for higher income generation in rural areas. The data highlights the need for strengthening the financial support, skill development, and marketing linkages for SHG members to enhance their income levels and overall economic empowerment.

### Investment Preferences of Self-Help Group (SHG)

The investment preference of self-help group (SHG) members in rural areas of Anantapuramu district shows that a majority, accounting for 31.37per cent, prefer to invest their savings in post office deposits due to easy accessibility, low risk, and guaranteed returns, which align with their financial security needs.

Around 25.5per cent of respondents invest in chit funds, indicating their reliance on informal financial systems for quick access to money during emergencies or business needs. Additionally, 24.18per cent of the respondents prefer life insurance policies, reflecting their awareness of financial protection for their families in case of unforeseen circumstances. About 17per cent of respondents opt for bank deposits, showcasing their inclination towards safe and secured savings with fixed returns.

table -5: investment preference

Investment preference	No. of Respondents	Percentage
Bank deposits	26	17
Post office deposits	48	31.37
Life insurance policy	37	24.18
Chit funds	39	25.5
Share market/Mutual funds	3	2
Total	153	100

**Source:** Collected and compiled from Field Study

However, only 2per cent of the respondents invest in share markets or mutual funds, highlighting their limited exposure to high-risk investment options. The data suggests that most SHG members prefer low-risk and secured investment avenues to safeguard their earnings, indicating the need for financial programs to enhance their investment knowledge and promote better wealth management practices.

#### Awareness Levels About Share Market Among Self-Help Group (SHG)

The data on awareness levels about the share market among self-help group (SHG) members in rural areas of Anantapuramu district shows that a majority, constituting 88.89per cent, have no awareness regarding share market investments, indicating a lack of financial knowledge and exposure to modern investment opportunities.

table – 6: awareness levels in the share market by the respondents

Awareness Levels in the Share Market	No. of Respondents	Percentage
YES	17	11.1
NO	136	88.89

**Source:** Collected and compiled from Field Study

This may be due to their low educational background, limited access to financial information, and traditional saving habits focused on low-risk options like post office deposits, bank savings, and chit funds. Only 11.1per cent of the respondents reported having awareness about the share market, suggesting that very few members understand the potential benefits and risks associated with share market investments. This highlights the need for financial programs and awareness campaigns to educate SHG members about diversified investment options, enabling them to make informed financial decisions and improve their economic stability.

table - 7: relationship between investment factors among self-help group(SHG)

S. No	Particular xi	Particular yi	Chi-Square value	Accept/Reject
1	Earning Member	No of years have been in Self Help Group	156.23	Accept
2	Investment Information	Investment experience	45.87	Reject
3	Purpose of Investment	Investment prefers	34.56	Accept
4	Investment prefers	Period of investment	12.98	Reject

5	Money Investment	Manage investment	8.25	Accept
6	Manage your investment	Investment decision	175.36	Reject
7	Investment decision	Mode of investment	20.45	Accept
8	Mode of investment	Satisfied investment Decision	198.76	Reject
9	Problem faced	Type of Risk	534.12	Reject

**Source:** Collected and compiled from Field Study.

The study shows a positive relationship between earning members and their experience, indicating that longer involvement in self-help groups leads to better investment decisions. However, receiving investment information alone does not significantly influence investment experience without practical exposure. Clear investment objectives strongly impact investment preferences, while the investment period has no major effect. Effective money management enhances investment control, but it does not necessarily lead to sound investment decisions. Decision-making power significantly influences the mode of investment, though satisfaction is not always guaranteed. The highest chi-square value of 534.12 highlights that perceived risks significantly impact investment challenges. Promoting financial Awareness Programs, practical experience, and strong financial management skills is essential for improving investment decisions among self-help group members.

### Findings

1. Sole proprietors engaged in small businesses or services face irregular income, affecting their financial stability and compelling them to prefer low-risk and short-term investment options.
2. The survey shows that the income and savings levels of SHG members directly influence their investment decisions, with higher-income earners opting for better investment opportunities.
3. Most SHG members in Anantapuramu district prioritise safety, stable returns, and low-risk investment options to secure their financial future.
4. SHG members show higher trust in Post Office deposits, chit funds, LIC policies, and bank deposits due to their reliability, transparency, and accessibility.
5. Despite having their own income, many SHG members still depend on family members for investment decisions, limiting their financial independence.

### Suggestions

1. Implement income stabilisation strategies and introduce budgeting and financial planning systems for sole proprietors in SHGs to reduce income fluctuations and promote savings.
2. Design investment education programs based on the income and savings capacity of SHG members, ensuring relevant and practical financial guidance.
3. Strengthen Investment knowledge among rural SHG members in Anantapuramu district to improve their understanding of investment risks, returns, and benefits.
4. Encourage SHG members to seek guidance from unbiased financial professionals, helping them make confident and independent investment decisions.
5. Promote awareness and educational programs on share market investments among SHG members to reduce fear, build confidence, and enhance their participation in stock markets.

### Conclusion

The study highlights that the investment behavior of rural women in Anantapuramu District. Enhancing financial awareness and promoting diverse investment options can empower women to make informed financial decisions. Self-help groups significantly contribute to improving the economic status of rural women through income-generating activities. However, low exposure to modern investment avenues still restricts their financial growth. Hence, targeted financial Awareness Programs and accessible investment opportunities are essential for fostering long-term economic independence among rural women.

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