RESEARCH METHODOLOGY

1. **Major SHGs of Meerut District:** - Meerut district of Uttar Pradesh purposefully selected for the study. The district is divided into three tehsil covering twelve blocks namely Sardhana (Sardhana, Sarurpur, and Dauralla), Mawana (Mawana, Hastinapur, Parikshitgarh and Machhra) and Meerut (Meerut, Rotha, Janni, Kharkhoda and Rajpura). Maximum number of SHGs will be concentrated in all three tehsil and hence they were purposively selected for study. Three villages in each block will be selected on the basis of number of SHGs.

2. **Development process of Self-help groups:** Under this chapter various steps for developing a new group will be studied. For starting a group rule, how to start, their documents and their documentation will be studied.

3. **Socio-Economic Variables:** - Among socio-economic profile of the members of SHGs the study will be as under points.

   (i) **Age:** - It is referred to the chronological age of the respondents in completed years at the time of investigation. The respondents will be categorized into three age groups as given below:

<table>
<thead>
<tr>
<th>Category</th>
<th>Age (in years)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Young</td>
<td>18-30</td>
</tr>
</tbody>
</table>
Middle | 31-50
---|---
Old Aged | Above 50

(ii) **Education:** - It is operationalised as the extent as the formal education, the rural women have undergone. The respondents were grouped into four different categories based on frequencies. The procedure as mentioned below:-

<table>
<thead>
<tr>
<th>Category</th>
<th>Illiterate</th>
<th>Primary School</th>
<th>High School</th>
<th>PUC</th>
</tr>
</thead>
</table>

(iii) **Land Holding:** - It is the actual land owned by the family of rural women in acres. The procedure followed by Hiremath (2000) will be following with slight modification.

(iv) **Occupation:** - It is the major occupation followed by the members of the self-help-groups. Frequency and percentage will be calculated per each.

(v) **Annual Income:** - It will measured by considering that total income of the family from all the services and categorized the respondents according to the classification suggested by Department of Statistics and Deptt. of Development, Government of Uttar Pradesh.

(vi) **Marital Status:** - Marital status of the respondent will be noted by asking them directly and classified into single and married.
(vii) **Type and Size of Family:** - The respondents will be categorized into two different categories namely joint and nuclear based on which type of family the respondent belongs. Family size will be operationalise as total number of members residing together in the family at the time of investigation. The size of the family was categorized as small and large by the general norm.

(viii) **Membership in Other Organization:** - The respondents will be ask whether they have membership in any organization in addition to the SGH, their responses will be noted and classified into members of other organizations in addition to the non members.

(ix) **Material Possessions:** - It is the possession of materials likes, radio, television, two in one system and sewing machines by the respondents. Frequency and percentage will be calculated for each possession.

(x) **Mass Media Participation:** - The radio listening, television viewing and newspaper reading habit of the respondent will be ask and classified into regular, occasional and never.

4. **To Study The Income, Expenditure and Saving of The Members After Joining SHGs;** - This study is completed with the help of the primary data. The primary data were collected with the help of specially prepared interview schedule. The schedule included the question related to the general information
about the SGHs members, income expenditure, saving and loan schemes available to SHGs members.

5. To Know The Role of SHGs in Providing Rural Credit:- The objectives of the present is to know the rural credit by SHGs. This part is discussed the rural credit and study area. The credit organizations like nationalized banks. Co-operative societies and so on, follow many formalities to provide credit to rural people. At the sometime village money lenders change very high rate of interest. In this situation SHGs can easily approach the other banks and other institutions to get loan. The SHGs get loan from credit institution then they refinance (share) to the members in the SHGs. Main types of loans in the SHGs will be noted as business loan, marriage loan, repay the old loan, medical loan, house repairing loan, cattle loan.

6. Impact of SHGs: - In addition to the financial analysis of SHGs, the non-financial areas such as social security and gender dynamics are affected by the SHGs movement. Indeed poverty reduction is much less an issue of numbers but rather ideas and concept. The political, social harmony, social justice community and livelihoods are an analysis of the non-financial impact of SHGs.

(6.1) Political: - Political engagement includes actives involvement by SHGs in government including local assemblies, Panchayati Raj Institutions (PRIS).
(6.2) **Social Harmony**: - Social harmony encompasses the equality and integrity of relationships between different social groups. To frame the following analysis. SHGs typically consists of the following social groups.

- Schedule Caste (SC)
- Schedule Tribe (ST)
- Minorities (MN)
- Backward Caste (BC)
- Other Caste (OC)

(6.3) **Social Justice**: - Social Justices the presence of moral and ethical conduct in areas that are historically typified with backward and abusive customs will be studied.

(6.4) **Community**: - Recent analysis will studied on impact that SHGs have on the community at large have been minor. There have been few instances of significant contributions from SHGs to education, family planning, eradication of child labour and hygiene.

(6.5) **Livelihoods**: - Livelihoods, meaning a person’s economic activity, is an area that is vitally important to SHGs. In rural areas livelihoods range from agriculture farming, animal husbandry, dairy and various other goods and services activities will be studied.
7. **STATISTICAL ANALYSIS:**

7.1 **Analysis of Variance:**

The statistical analysis of variance of the data obtained from experiments during different years including pooled data was done as per method suggested by Panse and Sukhatme (1967). The data on larval population were analysed after $\sqrt{x+1}$ transformation and that of percent value after angular transformation (Fisher and Yates, 1982). The analysis of variance was done following this method.

Correction Factor (C.F.) = $\frac{G^2}{n}$

Total sum of square (S.S.) = $\sum X_i^2 + \ldots \ldots X_n^2$

$\sum i = t1. T^2$

Treatment sum square (S.S.) = $\frac{\sum}{r}$

Where,

- $G$ = Grand Total
- $n$ = Total number of observation ($r X t$)
- SS = Sum of squares
- $\sum$ = Sum of “ ”
- $X_i$ = Measurement of the $1^{st}$ Observation/rep.
- $T_1$ = Total of the $1^{st}$ treatment
\[ t = \text{Number of treatment} \]
\[ r = \text{Number of replication} \]

Treatment MS = \[ \frac{\text{Treatment S.S.}}{t-1} \]

Error Ms = \[ \frac{\text{Error S.S.}}{t(r-1)} \]

\[ F = \frac{\text{Treatment M.S.}}{\text{Error.M.S.}} \]

When, MS = Mean square for each source of variation.

\[ F = \text{value for testing significance of the treatment difference.} \]

Critical Difference (C.D.) = \[ \frac{\text{Difference} \times \text{SE}(m)}{\text{SE of Difference}} \]

When, SE (m) = Standard error difference of mean

SE = Standard error of difference

7.2 Standard deviation:

Standard deviation from the mean of various meteorological parameters prevailing in the preceding periods was calculated by using the formula suggested by Panse and Sukhetme (1967).

\[ \sigma = \sqrt{\frac{\sum d^2}{N}} \]

Where, \( \sigma \) = Standard deviation

\( d = \text{Deviation of the mid value of class from the mean.} \)
N = Total number of observations

7.3 **Simple correlation**:–

In order to study the simple correlation ware worked out by using the formula.

\[
r_{xy} = \frac{\sum x_i y_i - \left(\frac{\sum x_i}{n}\right) \left(\frac{\sum y_i}{n}\right)}{\sqrt{\left[\sum x_i^2 - \left(\frac{\sum x_i^2}{n}\right)\right] \left[\sum y_i^2 - \left(\frac{\sum y_i^2}{n}\right)\right]}}
\]

Where, \( r_{xy} \) = Simple correlation coefficient

\( X_1 \) = Meteorological parameters

\( Y_1 \) = Larval population of pest

\( n \) = Number of observation

DEVELOPMENT PROCESS OF SHGs
4.1 Co-operative Evaluation

The success of any community development programme depends on the active co-operation of the concerned community. The meaning of the active co-operation is to connect with the programme, sense of responsibility, to understand their responsibilities and to take it, to make the programme with his mind and to be partner with enforcement. Such kind of co-operation is possible only when the community should be attached from the very beginning, programme should be based on their necessities, resources and capacities. For this, it is necessary that the community should evaluate its realities itself.

Co-operative evaluation is a method, a process by which the community gets the chance to evaluate itself. Co-operative evaluation is the first requirement in the development process of the self help community. The requirement of the group in community before the organization of the group, social and economic condition communal resources, economy possibilities, requirements of the loan, meaus etc. the wide knowledge of all points is necessary. In the lack of this information, it is difficult to inspire and organize the people. Besides it, the group does not get a firm and real base. If in the plans the basic needs of the people of the community, capacities resources etc. are not included, the plans fail to bring the long term development influence.
To get the aim related to any development of community, the wish of the community, necessity, capacity, resources, knowledge condition etc. The process to get the analytic knowledge is called evaluation meeting with the community the knowledge and the process of analysis is called co-operative evaluation.

**Aims of co-operative evaluations:**

The main aims of co-operative evaluations as under:-

- To get the real knowledge of the community needs of the men, priorities, capacities and resources. It helps to make the practical plan for the development of the community.

- The planning of the programme and its enforcement on the basic level the co-operativeness of the society and community is confirmed.

- The worker gets the real knowledge of the community and it relates with the community.

- The problems and the difficulties which come in the enforcement of the programme also comes to know already for which solutions we feel the easiness to make the necessary plan.

- They become aware of their problems and capacities when there is active partnership of the community and they relate sense of selfness and responsibilities.
4.2 Community awareness

Community is a point. In it the people living in their different necessities and capacities, they adopt the similar culture and the life style and traditions. They adopt the life style of every community and its culture and traditions. Every community has its own characteristics, resources and situations. So it is necessary that the local preface is included of the communal awareness and its process through mediums from the co-operative evaluations the conditions should be kept in mind and then they should prepare the communal awareness plans.

The meaning of the communal awareness is to make aware the people of their meet others and find out the main points among themselves and they can solve them.

Aims of awareness

The main aims of awareness as:-

- To make aware of their problems, needs and resources in the community.
- To inspire fulfilling of their needs and for the solution of their problems.
- To increase their faith towards their internal resources and capacities and to inspire for their right use and to manage.
• To inspire to co-operative in the running programmes and to inspire for the co-operativeness.

**Main points of awareness**

Before organizing the self help groups it is necessary that the members of the community should feel their problems and needs clearly and be ready to be inspired for their solution. So for, it is necessary that the communal awareness programme should be based on the conditions of the local situations, culture and atmosphere.

Generally, the rural community is divided in the basis on different religion class, caste, profession, income and the size of land and zamindar etc. so there may be their different problems and needs in which there may be any oxymoron on the priorities. So it is necessary that the plan which has been made for the awareness of people must be based upon the local realities.

To bring the awareness in the community and society it is necessary that main people of the local level who are believed by most of people must be included in the awareness programme. In the process of making self help group, using the various mediums the attempt can be made to make aware.
4.3 Concept of Self Help Groups

An organization or a developmental group founded by the persons together for achievement of the aim of a plane or the aim of himself is called a group. Generally groups are organized into forms is same the co-operation. The first form is that in which the group is organized to still fill its recent necessities and such groups are dissolved after getting the full fulfillment of requirements. For instance the co-operative charity- labour done in the villages and cultural festivals etc. in such organization outside participation is near about nil. The second form is that in which person’s farm a permanent group with planning is remove their problems such groups are organized considering the difficulties of coming future, responsibilities and rules etc. The people who can work together for a long time are associated in such group. These groups are founded to solve the problems and subjects of both kinds- recents and long term problems. Self-help groups are small groups of 10-20 persons, who come together with the intention of saving and rotating loans amongst the members. It is a better mechanism to reduce poverty against giving one time loan for productive assets (Madheshwaran and Dharmadhikary, 2001).

An SHG is a homogenous group of rural poor, voluntarily formed to same whatever amount they can do so from their earnings and mutually agree to contribute to a common found of the group (Mani and Selavaraj,
2008). While according to Avinesh (2007) SHGs are an important institutional mechanism from poverty alleviation.

“Self Help Groups” is a tool to remove poverty and improve the rural development unlike in many other countries, which have already adopted. Qualitative change in the creation and proper running of SHGs from the mid seventies as a part of the formal credit delivery system. India has been experimenting with the concept for decades (Karmanker, 1998).

A self help group consists of 10-20 members drawn from a relatively homogenous economic class (i.e. poor), self selected on the basis existing affinities and mutual trust; members meet regularly at a fixed time and place and pool their saving in to a common fund from which they take need based loans. The group develops its own rules and regulations and sanctions for violations; the meeting procedures and processes, leadership change norms, intensive training and handholding, are designed to enable SHGs to function in a participatory and democratic manner. The objectives of the SHGs go beyond thrift and credit and include the overall development of members in the social, political, cultural and economic area; thus the SHGs are ‘credit plus’ institutions (Fernandez, 1998).

A comprehensive definition of Self-Help-Groups- “Self Help Groups are voluntary, small group structures for mutual aid and the
accomplishment of a special purpose. They are usually formed by peers, who have come together for mutual assistance in satisfying a common need, overcoming a common handicap or life-disrupting problem, and bringing about desired social, and/or personal change”.

**Need of group:-** Community development is a regular process. For it, it is needed that all should understand their responsibilities and should try to full fill them. A group is such rasae as can organize and drive personal affords, interest and necessities in the form of co-operative process. Formation of self-help groups (SHGs) in rural areas to generate microcredits has become viable units to support various activities related to agriculture, dairy, fishery and rural industrial enterprises (Rao, 2006).

SHGs could be achieved by increasing employment opportunities of the family members and women by technology transfer and intensive training on health and nutritious food preparation which will promote self employment avenues, socioeconomic enlistment of the family and purchasing power of the households.

**The following points throw light on necessities of group:-**

- Through a group there is a complete utilization of every person’s capacity and knowledge and experience.
Group organization is a small workshop in which through the process of learning and understanding, self dependence and abilities are developed.

In a group every person gives his co-operation according to his capacity. As we make a building by using bricks in the same way in a group a person makes his path of development for himself and for the development through co-operation.

Working in a group, we reach on certain decision by negotiation on the problems and doubts.

The feeling of beel and self belief is developed in the persons associated in a group.

In a group, according to the ability by dividing the labour we can save the time. The capacity and expertness of every person in different which is used in a group in the farm a unit.

Working in a group, the time, wealth and power all force can be saved.

The co-operative decisions are effective while indivisual decision has the possibilities of errors.

**Purpose of self help groups:** The meaning of self help group is such a platform of the people in a community where personal capacities can be
changed in to communal capacities and the present problems of community and personal can be solved. Self help group provides the opportunity to the people to unite their means and to strengthen then through this the feeling of self relintment is increased and for them the analysis of the problems and their solution can be achieved.

The purpose of self help group is decided according to the relevant need of the members and according to the circumstances. So while deciding the aims of the groups, the members of the community should discuss well. The purpose that imposed form outside can hinder where the groups are formed to achieve the purpose of a planning. The consideration of the purpose of the group and the purpose of the planning must be understood well. Self-help groups create a foundation for increasing member income by providing a forum for education, mutual support and developing markets (Vries, 2008).

**The importance of saving in self help group:** The saving in a self help groups is a symbol of the feeling of members in community. The saving works as and addasibe to joint then members. The sum collected by the small savings clears a path for the economic and social development of the members of the groups. When a person gets a large sum easily to full fill his requirement through his small savings, is faith increases in communal process. By this a group gets permanency. Besides it has also been felt that a group based on
saving is more self dependent and permanent because they help to complete the relevant need of their members. Thamizoli and Ignatius (2006) conducted a study and data were collected from a sample of 138 SHG households and 138 non-SHG members and ensure timely credit to the members. Social capital fostered by SHG activities has a positive role in the improvement of rural household livelihoods.

The points which are needed to consider at the time of forming a group:

- The utility of saving.
- What will be the sum of saving?
- What will be the day and time to deposit the saving into group treasure?
- Who will be the responsible for the money deposited?
- What action will be taken on late depositing or not saving?
- Who will govern the co-operative account?
- Who and how will the co-operative account operated?

In a self help group, the necessary amount developed for the different works by confirming a saving rate is not possible by personal savings as in a group. Ten people save twenty rupees per month, in a year the group good have the amount of Rs 2400/= but for a single person, this amount of Rs 2400/= will be a large sum difficult to say but when he will be the member of a
group, he can earn more profit by taking more amount than his own savings. In this way a member of the group can full fill his requirement of Rs 2400/= by saving only Rs 20/=. Besides it the interest he gives on loan taken from the group, he gets a part of profit also.

**Social and economic development by self help group:** Self help group is a strategy to develop the necessary means the abilities by himself through the self help group. Through it a man being independent, can develop himself and can feel himself protect it. Self help group is a unit of different people with their ideas and abilities. This institution yield and opportunity to the people to full fill their requirements in a group and personal lable, many works and problems are such as are difficult to solve by affords of a person. Particularly the poor group in which a person has a limited means and possessions. For such people it is difficult to reform their living standard by personal affords. The experience is clear that the needy people being together can easily achieve necessary meand and abilities to raise their living standard and development.

At village level the availability of loan is very difficult. The benefit of this thing takes the money landers at the local lable and they give loan to the needy people at their own conditions. Such conditions bring the people in the circle of loan in which they suffer whole life. Through a self help group a person can save himself from this loan circle by small saving. Socio-
economic impact of Self-help groups on its beneficiaries revealed some positive changes in the level of living of the members. The NHGs were able to develop saving habit among the members. The economic impact is visible in terms of savings habit, increased credit accessibility, contribution household income, and acquisition of household assets. The impact is also pronounced on the social front in terms of increased role in household, decision-making, improved status and self-confidence, ability to deal with adversities and community involvement (Reji, 2009). Gopa-Kothari (2009) also discussed the importance of Self-help groups.

**The Process of making a group:** The Process of founding a group is a process to add different people to achieve some purpose who are belonging to different ideas, abilities and necessity, so it is very necessary to connocate on large scale among the people who are associating with the group and then the decide to operate and found the group. This point is also considerable that a group which is made in hurry is achieve aim or by temptation, dissolve very soon.

A group should be founded in a process. Here the meaning of the process is founding the group through a common decision on necessary different points and steps for the foundation of the group. Generally following points are necessary to consider during the foundation.
Reorganization of classes and people for the foundation of group:- This thing is worthy to pay attention that different people and groups can have different problems so it is necessary to discuss different problems with the people individually and in the mass. Generally it seen that the people of common problems are united easily and their union more for long time. Their for it is good to unite a group of the people of common ideas and common social, economic base and purposes. The most important thing among thing is the group should be founded in their own conditions and decision.

Foundation of a group and its membership-

- The number of the members of group.
- What will be the base of taking membership?
- What will be the fee of the membership?
- In which conditions the membership can be finished?
- What will be the duty and rights of the members?
- Selection of group representatives.
- Right and duty of representatives.
- Time period of representatives.
- In which conditions representatives ship can be finished?
- The selection of the place and time of the meetings.
Awareness:- Before foundation of a group, it is necessary that people and community should understand clearly their problems and inspire themselves to remove them. For this an awareness programme should be started considering the local cultural conditions and atmosphere. As the village community is based on different classes, caste, jobs and size of land therefore, their necessity may be different and there may be a kind of struggle among different needs so it is necessary that a strategy should be prepared for the awareness based on local realities to bring awareness it is necessary to associates such people at the village level on move most people have faith.

**To develop local leadership:-**To develop the ability in a community since being it is necessity that their dependence must be less on outsider workers. For it, it is necessary to select such people from beginning on which community can believe and they can give some time for the deeds of the community. The small responsibility such as to make understand to the people of the community, help in arranging the meetings should be given to these people since beginning. The people of the community believe more on the people among themselves. Thus the local leadership is developed and dependence on the workers becomes less.

Here it is necessary to pay attention that such leadership should be selected very carefully otherwise its result can be opposite. It is often seen that
some powerful people are always tempted to achieve development planning and opportunities since beginning. This man turns no leaves to misguide people for his self-interest.

**The relation between personal and small groups:-** Before the foundation of the group, personal touch is necessary. The belief developed by personal touch remains permanent and it has sufficient time to remove the doubts though it takes some more time.

After personal touch we should discuss in a small group. The discussion should be open hearted in these groups so that no kind of doubt may remain. In small group a person gets the chance to reach near. The things are not that in a village they do not talk being together but have they gather to achieve a certain aim. They discuss in group for a purpose and aim. Thus the difficulties in the foundation of a group also become clear.

**General Meeting:-** To bring awareness among the people through personal and small groups and to abolish their doubts on the village level, there should be a meeting, in which the discus, on may be on the works and purposes of the foundation of the group. It should be decided in this meeting who are willing in the foundation of the group self help group? What should be the size of the group? What rules should be made necessary and the question what should be the sharing rate must be discussed?
The Proposal of foundation of group:- After being agree on these points all the members should make a proposal aiming the foundation of a group. In this proposal the members of the group, the aims of the group, the work and rules etc should be added. This proposal is a symbol that all are ready to do the work being together. This proposal helps open on accounts in the bank and in associating with different development institutions. On the proposal, the name of the bank in which the account has to be opened must also be written.

Selection of representative and responsibility: - The selection of the representative should be by all. By raising hand and by slip, the atmosphere of election develops and there become a possibility of enmity. So such process in a selecting the representatives should be avoided. The selection of representative should be on the bases of their interest, belief of group on then, literacy and their will to work selflessly and ability to do the work of the group etc. The responsibility of the representatives is following-

- To keep all the documents of the group.
- The operation and writing work of the meeting.
- Writing of the common treasure.
- The relationship foundation of group with the bank.
- Working as a link between group and different institutions.

Responsibilities of the members of group:-
- Keeping belief among one another in the group members.
- Taking part regularly in the meeting and discussing.
- To deposit saving sum in the account on decided date and time.
- To deposit the returned money with interest on the based of installment in time.
- To help in making the arrangement of group following the rules and develop the feeling of selfness towards the group.

**Rules for the operation of group:**- A By-law for the successful of operation of a group is necessary. These By-laws should be made by the group it self. The amendment can be made time to time according to need in by-laws. By-laws can be prepared after discussing the following points-

- Name of the group, purpose, number of members, achieving membership.
- The day of meeting, place and time.
- Saving rate.
- Keeping the common treasure.
- Process of loan, returning installment.
- Condition etc.
- Selection of the posts of the group, duration and amendment.
- Solution of the quarrel
• Others

**Role of NGOs/Banks in group formation:**

NGOs or community based organization (CBOs)/ community coordinators/ facilitators/ SHPIs/ animators are to be involved in group formation and even for SHG’s capacity. Rs. 10,000 per group to be paid to NGOs/ CBOs/ SHPIs/ facilitators etc. for formation and development of SHG in four installment. 20% at the time beginning of group formation. 30% when group qualifies for revolving fund. 40% when group takes up economic activity and 10% after start of economic activity and on adherence of group to repayment of bank loan.

**SGSY’s main criteria for SHG formation:**- SHG has to be a group of rural poor who volunteers to organize themselves in a group. The group may consist of 10-20 members (5-20 members in case of minor irrigation project, disabled persons and in difficult areas like desert hills and areas with scattered and sparse population. Members of group to be from BPL family, however maximum of 20% and exceptional case 30% of the group members can be from families marginally above poverty line. Only one member from a family is eligible for membership of group.

**How to arrange the meeting:**-
• The meeting should be at such a place where all the members of the group can reach easily.

• Before starting the meeting the points of discussion should be written on a paper and should be discussed according to priority.

• The discussion point wise should be written on the register and it should also be written what the decision has been taken.

• Before ending the meeting the member should be asked if there any question may not remained.

• After ending the meeting whole things should be made them hear and after taking agreement their sign should be taken on the register.

• At the time of the end of meeting it should be made clear about the place, time and date of the next meeting and also the points of discussion.

• The whole process of the meeting should be written by the member or a representative of the group. If there is no literate person in the group the help should be taken from a worker of the institution or community of Sachetak.

**Making proposal in meeting:** - The proposal is made in the group for any decision. At the time of making proposal it is paid attention the proposal is made for what job and purpose for this the members of the group discuss
together and after taking decision make a proposal. Sign are taken of all members who are present.

**Opening an account in the Bank**: - To open an account in the bank the following papers are necessary:

- Photographs are representative
- Proposal of the group to open an account.
- Minimum saving sum to open an account.
- By-lows of the group.
- Identity card by the head of the village or N.G.O.

**Why the bank account?**

- The right arrangement and security of the sum of the group.
- The Benefit of interest on the deposited sum.
- The opportunity to develop permanent and useful relation with the bank.

**The Role of the workers in the foundation of a group**: -

- The main role of the outsider workers in the foundation of any kind of group lies in bringing awareness in the community and giving a necessary path to follow and developing their capacity. As and outsider workers, his role in founding in a group should be following-
• To understand well the social and economic base of the persons and community.

• To inspire and bring awareness for the foundation of a group it is necessary to make friendly ness among the people of community.

• To give knowledge of the process of group building to the community.

• To develop the leadership among the community since beginning.

• To lead for the works and meeting of the groups.

• To help in making the By-laws of the group.

• To understand the difficulties coming in the group and to give training for their solution.

• To help in opening the account of the group in the bank.

Cares in the foundation of the group:-

• To put everything clearly at the time the foundation of group.

• All decision should be taken in the meeting.

• All the members should take part equally in the discussion in the group.

• Equal participation of every member.

• The decision of the saving rate by the members.
The selection of the group positions should be according to the common outlook of the members of the group.

The analysis of all works of the group in the group meeting. Its investment and application should be on the bases of require discussion.

The process of the meeting of the group in knowledge of the members should be written on the register and it should be signed by the present members in the meeting.

4.4: Group management

The groups obtain to their target, so it is very necessary to proper management of the group.

Unity:- We have discussed this matter from beginning that the people having simple objectives who work to get the same objectives being united is called group. Group which is a base of strength for the members towards one side on the other hand. It is a platform to put their view, and to solve their problems. It is very essential for the stability of this platform, that the group is united. For the unity, for unity, importance should be given to group selfishness (pleonasm) rather team personal self interest, where that is no unity, no trust in between, disunioium (enmity) will happen, group will destroy.

Process of democratic decisions and development of leadership- All decisions should be taken unanimously in the meetings by the group. If any
members do not agree, it should be tried to make understand after discussing with them properly. It should be noticed here that if decisions are taken by some powerful members in the group, then it creates sorrow in the hearts of other people. It is possible that this sorrow should not be shown in any kind of pressure but the stability of the group is certainly affected. By it, it affects for selfishness for the group and it affects the sense of group in negative that weakens the group. So all the work of the groups should be completed by taking the members in confidence and by accepting the public decision process.

**For the growth of public decision process and local leadership, the following points must be kept in mind**-

1. Who are the more effective person? *i.e.* when they speak, other listen them attentively.

2. Who are less effective? Whose talks (matters) the people do not hear or do not follow.

3. Is any dispute going on among the group, is there any struggle for the leadership and what does it affect to others.

4. Do the members try to affect one another?

5. What reactions does it create, when others attempt of affecting others?

**Management of Joint account:** Joint account is the main source of banking, so the management of this account plays an important role in the process of the
development of the group. For it, skills, self confidence and stability all these are needed. Mainly the membership is the first contribution for the joint account. After that the savings of the members of joint account, increases from the punishment which came in various circumstances and from the interest on the internal loan.

In the beginning months joint account increase and a time comes, when this questions arises in the group that what should be done with joint account? In the end it is decided that loan should be given for the necessity of groups uses. When the members agreed on the rules of repayment and loan, it is begin to give loan. This is the learning process of the group and in this period, opportunities should be provided to literate the group. For this, it is important to make the group capable by arranging some kind of training so that it can work independently.

In the beginning loan is certainly small, because group is in want of capital in the period of six months the group members do experiences the loan management and necessity of the. For loan they learn to accept the rejection of group.

Management of Mutual Interchange- It is important for mutual banking that group has knowledge about collective management (running of a business) determiners loan requirement, responsibility of members and follow the rule by
them. People who want to get loan give the knowledge to the members of the group and about their money of taking the purpose of the loan, determine the priority to the application of the group accordingly in written or verbal. After this the group should be given the loan on the condition and on the premium. To make the process easy to give the loan and the facility of giving it in time and exchange of pre-decided money which is necessary to get the same creates the confidence in the arrangement of public loan. So it is necessary to be careful that the member should not be troubled un-necessary. It there is any trouble, all the members should be explained well.

**Transparency in mutual exchange**- The demand of the internal loan of the group should be discussed in the meeting that the calculation of the need of the loan of the members can be done according to the money and it may be determined to give the priority in the demand of one another. For example, if the first man for the illness and the second for the marriage and the third for the repair of the house needs the money at one time, the group should decide after thinking it that which member is first and which should be given after that to whom should be given the money back first.

After the calculation of the demand of the loan a proposal should be made in the group register which contains the signature of all the members. It is the witness of the thing and at the time of taking the loan all the members
should have the knowledge and agreement about that loan. Taking the proposal the president and the treasury officer go to the bank. By if all the officers of the bank came to know the agreement and the knowledge of all members about the withdrawal of money. Some groups manage and emergency money. In this treasury some money is kept for the emergency needs of the group where it is not possible to withdraw the money is deposited. This money is kept by the authorized people of the group and not by depositing in the bank for which the people can get the money in time and for the emergency.

**Premium of returning loan** - While giving loan the rules (norms) and the premium should be made for the repayment of the loan which should be made according to the premium of the money, purpose and the capacity of repayment. For giving the loan, the circulation of distributing the money according to the demand of the group because the demands of the loan are usual and the group is not always in this condition that all the demands of the loan all the members can be completed at one time. To distribute the loan the process should be made. The people who come in the preference should be given the loan first and after it as the loan repays the people should be given the loan serially. The people who take the loan first should know that the other people will get the money, if they repay the money in time. The consistency of
repayment not only increase the investment of the group but also seen the utility of joint account of the people.

**Internal loan and repayment of internal loan**-

- By keeping in the mind the, individual saving investment and public saving investment how to give loan in average.
- What will be the amount for loan in several circumstances?
- What will be the term of repaying the loan?
- How much interest will be taken in loan?
- What will be the premium of the repayment of the loan?
- What will be the qualification for the members to get the loan? If any.
- What will be the disciplined action on the member who repaid the interest and in the original moneys at the appointed time?
- Can the group give the loan to any other member if yes, what will be the condition of the repayment of the loan?
- What will be the condition of the economic programmer and cottage industry? What will be the minimum and maximum amount of loan for it?

**Solutions of disputes**- The solutions of disputes should be short out after the mutual discussions of group. Personal emotions and matters should not be
added with the affairs of group, whatever the decision is taken, it should be taken in keeping the mind of the welfare of the members.

**Record of the group**-

- Action register, on which the continuities of the groups meeting will be written.
- Individual saving passbook, which is owned by every member and individual savings loan, will be written on it.
- Saving ledger on which group saving record will be written that are loan ledger, on which personal loan, repayment loan and the condition will be written. Other sources i.e., achieved money by bank and record of loan will be written in this ledger.

**Maintenance of Record**- It is the responsibility of the group to maintain the records. Group gives responsibility for this work. A kind of rotation and cycle can be made for it so that all could bear the responsibility of its maintenance one by one.

**Management of Account**- A joint account should be opened in nearest bank to secure the collective amount from the savings of the group. This account concerns to the full group and their conduction is done by the authorized representatives such as president, treasures. By this the investment grows by the saving on the interest. The responsibility of the conduction of the amount
should be changed by the members one by one so that every person may learn this work. By joint conduction, nobody get the right on the public investment.

The collective amount is deposited in the bank whose responsibility can be taken by the treasures or any person. But the rent should be spend from the joint money took out to the bank from coming and going.

The work of withdrawal and deposition of the saving will be done by accepting the proposal of the president and the joint account president.

**General Meeting of the group**- General meeting is a kind of meeting in which all members of the group take part. The works and the description of the progress done through all the year, its presented by the group leader and the group reach the fails by thinking about the plan in the meeting for the next work.

**Why the general meeting is necessary**- It is necessary for the progress of the group that all the member of the group should think together and take the continuous decision from the public meeting. So for it in the next year the group should sit together and all the works which have been done up to this time has to make a plan about all these and understand the shortcomings and understand and decide what has to be done for the next year.

For the above work it is necessary that a general meeting should be conducted once in a year in which all the members should take part. All the
groups of every village’s conduction their annually general meeting should put their description in front of one another and give the description of them experiences all the groups will get the benefit of one another.

**How will the annual general meeting be conducted -**

- The proposal should be passed in the meeting for the exertion of the general meeting that on which day the general meeting would happen.
- Before the general meeting the group leader of the group will inform personally to all the members to take part in the general meeting.
- Before the general meeting, the annual description of income and expenditure should be prepared on the determined report by the group leader and it should be checked by the workers of the trusties.

**To announce the proceeds**- The benefit which group have got should be informed to all members. By doing it group will be strengthen. So the interest should be declared as a percentage on the savings of every members of the group, or the interest of per member could be declared by the group.

**Selection of New officials**- On the date of group founded, selection for new officials is necessary. It will be beneficial for the selection of new officials that two members will achieve the active experience of group management for one year and self confidence will grow by it. So in the end of two years, four
members could be perfect and experience as well as other members would know that only one year is determined for the official period.

**Management of meeting** - Before the meeting it should be informed to the participant members about the time and about the place of meeting. So that, all the members could assemble at the place at the right time. If the time and place is predecided, it is not necessary to change that every time and every time it is not necessary to inform the members.

Before stating the meeting, a person should be chosen for the management of meeting, who could be any member or may be any honorable person of the village. Every member should be given the responsibility of management so that they would learn this work. Every group meeting starts with a group song. This group song may be a group prayer or a folk song. Entertainment happens with this kind of cultural programme and concentration and interest increases regarding the works of group. Meeting can be started from any point. During the meeting, every member has the right to speak up. Whenever anybody speaks, it is the responsibility of other member to listen his views attentively and give respect to his suggestions. Doubts which are coming over his thoughts might be short out latter. Member is the foundation of the group and it is the responsibility of the whole group to make it strong. Interest
is increased by discussing one by one everyone’s thinking doubts and experiences.

**Some groups do meeting for three or four times in a month, in these meetings, matters are of different kinds—**

- To collect the saving of the groups.
- Related with the economic conditions of group.
- Related with the group’s work.

Normal meeting in which mutual relationship is strengthening by cultural programme and in those meeting group activities is conducted. Points which are discussed in the meeting and decisions which are taken should be written in the work proceeding register. Before finishing the meeting, the points of discussion for the next meeting should be decided.

**Group’s Dictum-** The dictum is needed for the successful management on the group or any organization. This dictum determines chiefly to gain the institution or the group purposes and to protect the interest of all the members of the group clearly. The chief quality of any good dictum is its flexibility as it is possible to change the dictum according to the time for the self help groups. The creation of any dictum determines on the needs of the members nature, habit, profession, income and on the capacity of savings. But all the above facts are not equal at all the places and are affected by the local condition. The
dictum of the group should be made only by the group due to which the protection of the members and the gaining of the purpose of the group may be confirmed. The main profit of the partner of the members in the making of the dictum is that all the members of the group may be well known to the law of the group which is helpful in giving the stability to the group.

**Account & Conduction of the group-** The public account will be started with the name of the group in the bank. The bank of saving and loan group will be carried away with the name of the president of joint group and join president.

### 4.5 Loan Management

If we observe the rural loan arrangement we find that the poor family they get the loan in very difficulty and in exploiter conditions. In this result they entangle of debts. The foundation of SHG in this way is a worthy and successful try. SHG provide to member resources for development, organization and change for the development of capability. A regular small saving works to joint to united person in the SHG. Although, a small saving makes a strong socio-economic condition.

The loan management in the SHG which is based on saving is very necessary. A poor loan management creates misunderstanding or doubts in the members which makes the group week.
What is Loan Management: - The meaning of loan management is a process to prepare record of saving by group and income from other sources. Internal and external loan and their used and payment of loan. The knowledge of this process is very necessary for planning and management of group’s joint account, loan from bank, internal loan provided by the groups, return, dividation of profit and use of loan.

It is very necessary to complete knowledge of loan management in any group because in the lack of loan knowledge it creates doubts and become a reason to break down the group.

All the members may be educated or not but in the lack of loan management the repayment of loan will not be at the time and the defaulter increases in the group. They do not add the interest properly and the results that the members do not believe on each other. In the resulting they may be closed the group and a successfully saving group may be break. So proper loan management in the groups provides a proper direction and unity and creates visibility.

Need of loan management: - Although the group organized in various ways but the main object to functioning the group is saving. This capital is under the control of group. In the doubt of loan it may be comes to break the group. It is very necessary to functioning the group successfully the knowledge of loan
management to the all members and its visible. In this way the knowledge of capital made by saving income spent and the condition of used money will be to all members at time to time. Besides it, the loan management provides the knowledge of weakest link of the group and how to improve them. By this is the economic condition of the group estimated.

**Process of capital/loan management:** - The meaning of capital/loan management is to manage of joint-amount made by the group. The group develops the joint amount by their members regular saving, contributory loan from bank etc. The used of joint amount by the decision of group’s members for provide the loan. By this, the development of joint amount, use and management is a grouping process. The base of this grouping process depended upon their believe and solution of problems by unity. To maintain this believe and grouping. It is necessary that all the members try in team work. In this way various suggestions will be useful:-

- In group functioning better by same economic level members. The group made by the desired member. If the saving made by force then it may no run for a long team and the group breakdown.

- The capital money of saving in the group will be equally from each member. How much money will be saved it will be depend on the group.
Although, at the fixation of saving it may be depend upon the lowest limit saving of any group member. It will be decided on unanimously

- The saving amount will be deposit timely by the entire group member. It causes loan management strong.

- Internal loan amount, credit and this payment is a very necessary part of any loan management. It generally takes place that in those group have poor condition internal loan they become very week. In this reason, it is necessary for strong loan management that before paying the loan, who will get the loan decided properly? How much will be repayment and it will be complete in how much period. The repayment will be in installment or in single mode. To make the rule and to follow them is most important. When group take loan from outer sources, then it is very necessary to repayment the loan proper timely.

- Fixation rate of interest is very necessary on loan. Although rate of interest will be decided by group. But this is main things the repayment of this interest timely by the leaner. By this, the income of group increase, so how much rotate the group.

- For the strong loan management all members of group must know the credit and balance amount.

Amount/Loan management contains some main points:-
• Regular entry of joint amount.

• Maintenance of necessary records for management joint amount

• Audit

Regular entry of joint amount depends on following points:-

(A) Income:- Its contents following detail of group:-

• Total saving: - The total saving of group members and it added in income.

• Interest: - The group pay loan to his members and the repayment add in to the earning. It is the fact how much the group uses its amount the more interest will be add in the income so income will be increased.

Membership Fee: - If the group makes rule for new members the membership fee from new will be increase income.

Penalty: - At the time of ruling the group decides the penalty for absence in meeting or not repayments of the loan. By the penalty received amount will be added in income.

Visitors Fee: - The group takes fee from the visitors. A received amount from the visitors will be added in income.

If the group takes or receives the amount from any other resource it will be added in the income of the group.
Spent (Output): - There are many sources of income in the group as well as there are various sources for spend of amount. These are various:-

- Register & Stationary (Contingency)
- Spent on the travel allowance. As any member go to the bank for deposit or credit the amount and if they sent on travel then it will be the best that the spent also received from the group. It helps to maintain equally in the group.
- Many times groups take loan from the bank. In this condition they pay interest to the bank. So this amount of interest is also added in the spent of group.
- Some group appoint motivator in various fields like agriculture, health etc. After the serve organization they look after various works in the group and the group pays them. This payment is also added in the group spent.
- Other then it every group spent in various ways by their rule and regression.

Loan Repayment: - It is very necessary to timely repayment of loan for the stability of the group. For the timely repayment the group concentrates on the following points: -

- Purpose of loan.
• Economic condition of the member who gets loan.

• Amount of loan.

• Period of loan.

• Repayment of loan will be in single mode and in installment.

• How much amount will be penalty if the loan not timely repayment?

• Rate of interest on loan.

• If many member demands loan at the same time then how to decide it that who will get first?

• If the loan is got from other source amount then what will be mode of payment?

• Timely documentation of loan amount of the members.

**Balance Sheet:** - Balance sheet is very necessary for any group, because it clears actual position of the group. It tells to us after one year the economic direction of the group. By the knowledge of yearly income or spent of group, it helps to increase interest and confidence of the member to running the group.

The group mentions the total income and spent on balance sheet and find out the total profit of the group and declare the benefit of every member. This benefit is shown on the balance sheet. By a member is known the economic position of the group after a fix period.
Documents for amount/loan management: - For the proper functioning the group mentions the following documents:-

- Attendance register/Action/activity registers.
- Saving register (Saving account leader book).
- Members pass book.
- Bank pass book and deposit/withdrawal slip.

Action/attendance register: - This register maintains to every group. In this the member writes the points of group meeting. This register also tells how many members were present or absence in the meeting.

In this register the group maintains the every point of meeting proceeding. This register is like a witness of every decision of the group. It also tells that the groups take place meeting regularly or not and how many members were present or absent in the meeting. They know and how many members were present or absent in the meeting. This register also maintains the detail of loan getting by the member of the group.

The format of main page of the register is: -

<table>
<thead>
<tr>
<th>Group:</th>
<th>Place:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Date:</td>
<td>Time:</td>
</tr>
<tr>
<td>Proposal and decision:</td>
<td></td>
</tr>
</tbody>
</table>
Saving and account register/cash book: - This register maintains for the maintain the saving and loan record. These clear the account position of the member. This register declares the economic position of the group. This register contains various pages:-

Saving ledger of group: - This ledger shares the saving of group by member and monthly. It mentions monthly saving of the group. It contains various columns:-

Personal loan ledger: - This ledger shows the loan amount of separately member of the group. In short it tells that which member takes how much loan in which month. It also shows that the loan refund in how much time and what was the rate of interest? This ledger shows the loan and repayment of the loan.

The format of ledger as: -

<table>
<thead>
<tr>
<th>Name of member:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Member number:</td>
</tr>
<tr>
<td>Date/Month</td>
</tr>
</tbody>
</table>

**Group Loan ledger:** - This loan shows the loan and repayment amount of the loan obtains from various resources of the group and it also shows the amount of interest. The group shows the interest capital on loan amount obtain from various sources like Bank, other group. This ledger contains its purpose also. It has following columns:-

<table>
<thead>
<tr>
<th>Date/Month</th>
<th>Amount of loan</th>
<th>purpose</th>
<th>Date</th>
<th>Loan Repayment</th>
<th>Balance Loan</th>
</tr>
</thead>
</table>

**Group Loan Ledger:** - The Group provides the loan to their members for the various purpose of the member and many members repayment the loan. In this ledger the group maintains the amount of loan and repayment. Its column as following: -

<table>
<thead>
<tr>
<th>Date/Month</th>
<th>Number of loan</th>
<th>Loan amount</th>
<th>Balance of last month</th>
<th>loan repayment</th>
<th>loan balance</th>
</tr>
</thead>
</table>

**Member/ personal Pass Book:** - This pass book is issued to every member of the group and personal saving mention in the pass book. In this way this pass book shows the personal share of the saving in the group. The facilitator of the group mentions the amount of saving by weekly or monthly. This book is
issued separately for the every members of the group. The personal saving of the every member is entered in the pass book. There is various columns in this book as

<table>
<thead>
<tr>
<th>Date</th>
<th>Saving Amount</th>
</tr>
</thead>
</table>

In this pass book mention the record of personal loan

<table>
<thead>
<tr>
<th>Date</th>
<th>Purpose of loan</th>
<th>loan amount</th>
<th>detail of loan repayment</th>
</tr>
</thead>
</table>

**Bank Pass Book:** - This pass book shows the total saving of the group. This is a joint account of two member of the group which is selected from the group member. They work as operator of the group. It is necessary to sign and photo in this pass book by the both.

**Audit:**- it is necessary to timely audit of the group. Audit shows the economic condition of the group. By this group plays attention on the week point timely.

The audit is presentation and verification of income- expenditure details of the group. Audit must be in half yearly or yearly. It is clear the position of group account and the losses of group. To improve the losses the group income behaeres in future.

**Why Audit:**-

- The member knows about the economic condition of the group.
• It creates mutual belief
• For the knowledge of defaulter loan
• For the knowledge of amount obtain in the various sources in the group.
• It shows the loan repayment position of loan.
• It creates ownership in the group.

So audit and balance sheet are a necessary part for loan management in any group. If it will be timely the group becomes strong and creates unity.

**Penalty:-** The second source of group income is penalty. Which is obtaining from later repayment on misbehavior of the member. Although, it is not a big amount but, it is much because it clears and motivates the members behavior and timely repayment of the loan. This penalty becomes a source of group income.

**Plan of industry:-** The utility of group development is then when the group maximum uses of saving, back loan and the profit of last year, and the every member of the group takes loan. This loan may be for short term or long term. Till all the members will not get the advantage of loan and timely repayment of the loan other wise the group will not be strong.

It is clearly decided that the member that will be in business from the loan and what is its possibility. The plan of loan demand by the member in the
group already prepared. This plan is helpful for getting loan from bank. This is very necessary to summary the group position and on the basis of weakness the plan will be made for the further years (Singh and Rajauria, 2010).
This chapter deals with socio-economic profile of the respondents of the study. A total 1200 respondents from twelve blocks were interviewed using presented interview schedules (Appendix-I). A total 100 respondents were selected from each block. In each block the maximum number of SHG running properly were recorded. Out of them major groups were selected covering maximum village of each block. From the maximum village the leading group selected and 100 members selected for the observation based on interviewed using pretested interview schedules. All the data were recorded in the study years 2008-09 and 2009-10. The findings of the both years were arranged on average bases for the table. The result shows as:-

1. **Age of the Respondents:** - The date presented in table:1 and figure:1, shows that the majority of the respondents (39.17%) belonged to the age group 31-40 years followed by the age group 21-30. That ment they were responsible and matured house wives. The lowest numbers of members were recorded less then 20 years age group. Further analysis of data showed that those who were in the age group of above 50 constituted mainly widows and separated members, and they were most vulnerable who needed assistance in self-employment schemes, microfinance and micro credit. Predominance of middle (31-40) aged person might be due to their presence in large number in the
society, greater free time and being more responsible citizens then their younger counterparts. Older person (above 50) were discouraged due to poor health and stamina. Kumaran (1997), Prasad (1998), Puhazhandi and Jayaraman (1999), Murgan and dharmalingam (2000) as well as Singh et al. (2009) reported similar findings.

2. **Educational Qualification of the Respondents:** - The table:2 and figure:2, shows that majority (60.84%) of the respondents has educational qualification above high school level. The rather high educational standard of the members have helped them to take up leadership positions and lead the SHGs in a responsible manner. Only 2.08% of the respondents were found illiterate. The data also show that most of the present and previous leaders had higher educational qualification above upper primary school level and some of them were even graduates. Although a little 4.17% of the respondents were with post graduate or other technical qualification. Bharathi and Chhaya (2009) concludes that it is necessary to improve the literacy of rural women, upgrade and improve their skills and provide opportunity for them to express their potential abilities. According to Pandya and Bhatt (2010) literacy play an important role to reduce the rural poverty of India. Educated person wherever percent are an asset to the group as they take care of the maintenance of all the records and documents of the groups. In groups where all members were
illiterates the group was dependent on other like educated spouse or school going children. In some groups they have paid accountants to take care of the documentation process. Malshet and Manjunath (2008), Kumaran (1997), Prasad (1998) also reported similar findings.

National Bank has associated with the Indira Gandhi National Open University (IGNOU) in a Distance Learning Education Programme for building up a group of quality grassroots trainers in the field of SHGs and will be reimbursing the full course fee of Rs. 1000 to the first 1,000 successful participants of the six-month Certificate Programme on “Empowering Women’s Self Help Groups” conducted by the IGNOU. Certificate Course for Self-Help Group Facilitators.

NABARD had partnered with Yashwantrao Chavan Maharashtra Open University (YCMOU), Nasik, Maharashtra in shaping and offering a six-month Certificate Course for Self-Help Group Facilitators on promotion and nurturing of SHGs. This comprehensive course on the subject offers coverage of topics like empowerment of women, poverty alleviation, issues on social communication at the pre-formative stage of SHGs & aspects like stabilization of group functions, conflict resolution etc. The Programme is all enthusiasts on the subject like Anganwadi workers, social workers of NGOs, individual volunteers etc. NABARD has also extended its support by reimbursing the
course fee to the first batch of 500 candidates who successfully pass the
certificate course examination in the first attempt. Bhagyavathi et al. (2008)
was found that training attended, mass media exposure and socioeconomic
status had significant effect on women participation in entrepreneurial
activities of self help groups and they suggested that education, mass media
exposure, communication and training of women must be improved.

3. Land holding: - Size of the land is another important factor that
determines the economic status of the respondents. The table:3 and figure:3,
shows that more than 43% of the total families were land less. It is mainly due
to the joint and the extended family system found among the respondents in
Meerut district. Majority (30.83%) of the total respondents had a land-holding
of less then 10 bighah. Another 24.17% of the respondents owned land
between 2.51 to 10 bighah and only 1.25% of the respondents had land
measuring above 10 bighah. As recorded by Puhazhandi (2000), study also
revealed that the land owners from a minority. Among those who possessed
land majority were marginal or small farmers. Most of it was alry land and
rarely more than a single or two crops were raised. Thus, the plight of the
landed respondents was as a bad as that of the landless respondents.

4. Occupation: - The occupation of the respondents is discussed in table:4
and figure:4, shows that 25.5% of the respondents as employed in agriculture
and its allied field. While 16.25% are the daily labour and 12.17% respondents were house wife. Only 0.42% of total respondents were unemployed. While 42.33% were self employed. That a good indication that most of the members are self employed in the self help groups. That is the major objective of SHGs. It is very necessary that after being a member of the group a member start its own business or work for increasing the economic position. Rajeswari et al. (2006) conducted a study in 2004 covering 51 villages of Truvallur district, Tamil Nadu and concluded that their main occupation was agriculture (86%). George et al. (2009) observed that the primary occupation was agriculture with some animal husbandry component. According to Vuayakumar et al. (2007) SHGs could be achieved by increasing employment opportunities of the family members and women by technology transfer and intensive training on health and nutritious food preparation which will promote self employment avenues, socio-economic enlistment of the family and purchasing power of the households, thereby ensuring food security, good dietary diversity and good nutritional status of the women and her family.

5. **Monthly Income:** - The monthly income of the respondents are discussed in table:5 and figure:5, shows that the most of respondents earn more than Rs. 3000/- per month. About 13% of the respondents have a monthly income less than Rs. 1000/- and only 10% of the respondents have an income
of Rs. 4000/- to 5000/- and only 2.58% family had above Rs. 5000/-. Usually people tend to give a very low income of the family, but it was noticed that the respondents were ready to give more or less the actual income of the family. Baljit Singh et al. (2006) recorded that the members increased their income during the post-SHG period. The income of members in post-SHG period was higher than non-member. Women generally have lower income and less leisure time than men and seldom have equal opportunities to develop their capabilities. She has been considered unorganized and inferior to men (Letamma, 2001). Devendrappa and Chandrashekar (2008) recorded drastic increase in their monthly income after joining the SHG. Therefore, participation in income generating activities under various schemes had a positive impact on the socio-economic condition.

6. Marital Status:- The table:6 and figure:6, shows that majority (84.42%) of the respondents were married and 3.08 were either widows or supported members. Single respondents constituted only 8.5%. It indicated that a majority of the members of the SHGs were responsible housewives.

7. General Information on the families:- Under general information on the families of the respondents, the present study looked into the place of this residence whether rural or urban area, under the type of family- whether it was a nuclear, joint or extended family and under the type of housing- whether the
house was Kacha, semi-pucca or pucca house. The table:7 and figure:7, gives more details regarding these general features. The table:7, shows that majority of the respondents 88.08% residence in rural areas, only 11.92% of total respondents lived in urban areas. It is also discussed that the nagar panchyat areas also counted in urban areas. Regarding the type of family majority (59.08%) of the families were nuclear families, while extended families constituted 23.25% and the remaining (17.67%) were joint families.

Majority of the respondents (57.83%) lived in semi-pucca houses, while 24.5 in pucca houses and the remaining only 17.67% in kacha houses. As a whole the housing condition of the respondents was found satisfactory. Still SHGs can play a greater role in ensuring the basic facility a safe housing for its members, with assistance from various housing schemes available both under central and state governments. George et al. (2009) study availability of latrine, type of roof and walls of home, as well as domestic source of water were the three variables which used in the study to determine the quality of life of the sample population. Nearly 15 per cent of respondents did not have separate latrine facilities on their homestead and nearly seven per cent lived in male shift houses.

8. Membership in other organization: - Table:8 and figure:8, show that the percentage of membership in other organization is very low of the
respondents. Only 1.17% of the respondents were members of other group while 10.58% of the respondents were the member of political party. A big category 88.25% respondent was not found member in any group or organization. It is due to their poverty and load of work.

9. **Material Possessions:** - More than 35% of the respondents possessed radio while 43.67% own television, only 3.5% possessed frize and very low respondents (0.75%) washing machine (table:9 and figure:9). While 16.25% of the respondents no material possessed. The respondents who have own television mostly view regularly. The occasional viewers of television include them who view at neighbors or friends places. Radio being cheap has found a wide entry into many of the homes, television the portable especially with the C.D. players owned by the respondents, which some of them have brought on installment basis. Malashet et al. (2009) observed that income per month of SHG members had a positive relation with respect to the factors like age, family size and land holding, TV, radio, education level of the members.

10. **Mass Media:**- The table:10 and figure:10 shows that 35.17% respondents list radio regularly. The occasional radio listeners include those who listen at neighbors or friends home. While 44.08% view regularly television. The most of the respondents enjoy watching television to listener radio. Which 19.25% of the respondents read news paper regularly but only
1.5% of the respondents read journal/magazine regularly. The ratio of the newspaper and journal/magazine is very low because the availability of the newspaper and journal. An experimental study of the relative effectiveness of the four mass media channels (radio, television, newspaper and internet) on knowledge gain was conducted by Prathap and Ponnusamy (2006) among 144 self-help groups’ members. All the respondents (100%) had gained “adequate” knowledge after exposure to radio had gained adequate knowledge after exposure. The study showed that television was found to be the most effective treatment, followed by newspaper, internet and radio.

Das et al. (2006) concluded that increased mass media exposure and frequent with extension agencies can influence the member of SHG to adopt the improved scientific practices. Rajeswari et al. (2006) observed that the main source of communication as per interview was television (100%), wall posters (55%), publicity through panchayat office meeting (53%) and dandora or beat of durms (43%) and concluded that the main communication channels, commonly used to disseminate information were T.V. and wall posters.

Lakshmi et al. (2006) also conducted a study to examine the relationship between personal, socioeconomics, psychological and situational characteristics of rural women with their knowledge on micro enterprises and
find out that socioeconomic characteristics, risk orientation, economic motivation were positively and significantly correlated. They suggested that these factors and efforts, which can be easily manipulated by government or non-government organization is likely to produce the desirable result so far as microenterprises development is concerned.

Krishna et al. (2008) found that the characteristics like age, education, social participation, extension contact, credit orientation, cosmopolitaness and risk orientation were positively influencing the empowerment and decision making levels with respect to capacity building of members of SHGs. Kirar et al. (2008) observed various characteristics like education, contact with extension agents, availability of resources, credit facilities, level of knowledge, availability of irrigation, socio-economic status and land holding of the respondents were found positive and highly significant with their extent of adoption. Almost similar trends about relationship with extent of adoption were reported by Menon et al. (1995), Pogar and Kulkarni (1996), Gogoï and Phukan (2000), Choudhary et al. (2001), Nagbhushnam and Nanjaiyan (2002), Dantotia et al. (2004) and Krishna and Sireesha (2007).

Malshet and Manjunadth (2008) studies on socio-economic profile of women self help groups of Dharowed district, Karnataka and observed similar finding. According to them self help groups (SHG) has a
unique system of organizing and managing its own finance and operator as independent unit. The SHGs also provides a forum for social interaction, which serves as an alternate social structure for peer level interaction. An integrated picture of the rural women and their changing socio-economic status as a result of their participation in group economic activities may be considered as one of the important economic tools for the empowerment of rural women as advocated by many social thinkers in the past [Punam Kumari (1999), Tondon and Sacohney (1999) and Shakuntala et al; 2010].
ROLE OF SHGs IN PROVIDING RURAL CREDIT

Type of Loan

Economic empowerment depended on the availability and utilization of loans from and through SHGs. Mainly three types of loans were taken from SHGs, firstly for consumption purposes including for education, health and marriage, second for production purpose to earn an additional income for the family and third for other purpose likes purchase of household items, for repaying old loan from moneylenders etc. According to Jayaraman (2008) microcredit for self help groups is fast emerging as a promising tool of promoting income generating enterprises for reaching as a promising tool of promoting income generating enterprises for reaching the ‘unreache’ for credit delivery in rural areas, particularly the women who are often considered to have very low net worth for availing any credit facilities from the formal financial institutions, i.e. banks. The table no.- 11 & 12; shows details of these who had availed any type of loan.

The table: 11 and figure:11; Shows that a great majority (90.5%) of the respondents had utilized loans from the SHG covering maximum respondents in Sardhana tehsil (93%) and low in Meerut (87.5%). Overall only 9.5% respondents are the member which not utilized the loan.
The table:12 and figure:12; give more details regarding various types of loan utilized by the respondents. The table:12; give details regarding various types of loan obtain by the members from the group. The result shows that a great majority takes the loan for production purpose (50.46%) followed by the consumption purpose (37.02%). Production loan is used for any income generating activity that would bring an additional income for the family. The activity would differ depending upon the area and the skill required for the activity. It is to be noted that the main purpose of starts the SHG system was to assist the member in availing at least loan for production purpose followed by consumption purpose. Over all with low percentage respondents were found which takes loan for other purpose (12.52%). It is good indication that the maximum member used the loan for income generating purpose. According to Adegbite et al. (2008) lack of credit facilities has always been regarded as a major problem of small- scale farmers and other micro- entrepreneurs. This has been attributed to non- availability of collateral securities and inadequate information that prevented this category of people from accessing credit facilities. They recommended that bank linkages and self- help groups should be initiated to improve and sustain credit flow to the agricultural sector. Borboda and Mohanty (2001) also discussed the similar role of credit.

**Amount of loan availed by the members through SHGs:-**
There are two types of group APL (Above poverty line) and BPL (Blow poverty line). After the group established show the saving for a six month period and takes plan first grading and more a six month period it hold to second grading. After clearing it the groups get an amount of loan. Generally, an amount of the 200000/- with 50% subsidy provides to BPL groups whole an amount of Rs. 400000/- with 25% subsidy obtain APL groups. In while the case the amount of subsidy will not be more than Rs. 100000/-. Although both type of groups get the subsidy same amount but the subsidy for the BPL group’s is more 50%.

Revolving fund assistance under SGSY is to be given by DRDA and banks as cash credit limit to SHGS when it qualifies first grading. Quantum of revolving fund subsidy/ grant by DRDA is equal to group corpus of the SHG subjected of Rs. 5000 and maximum of Rs. 10,000. Total subsidy can go up to Rs. 20,000/= in multiple doses. Credit by bank is up to four times of group corps. The groups also found the subsidy under SGSY. The subsidy is only an enabling element of the scheme. Subsidy is back ended to be kept by bank in Subsidy Reserve Found Account. No interest to be changed by bank on the subsidy deposited with them. Quantum of subsidy for individual swarozgaris is 30% of project cost subject to a maximum of Rs. 7500. In case of SC/ ST and disabled 50% of project cost or Rs. 10,000 whichever is less,
and for self help groups 50% of project cost subject cost to Rs. 1.25 lakhs or Rs. 10,000 per SHG member whichever is less.

As it discussed the loan amount is differ in both types of groups. Now the group provides the loan to their members. Generally a group contains 10-20 members. Because a group made by the same needs, family, members. There is no specific scale that who will get how much loan. But generally, it decided with a general meeting of the group. Finally, it depends on the need and demand of the respondents.

**Repayment of loan by SHGs members:-**

Repayment of loan in time is very essential for the smooth functioning of the SHG. For the repayment habit a study were conducted on 600 members of the district Meerut. The table: 13; shows the repayments status of the loans taken by the respondents.

The table:13 and figure:13; indicates that a great majority of the respondents (68.67%) had already repaid the full amount of loan or paid finely all the installments, the only few respondents (9.5%) found with no loan. They take any nothing types of loan. While the remaining 21.83% was on the process of repayment. Rayaraman (2008), SHGs were found to have regularly contributed to the savings and had paid the installments towards repayment of loan taken from the group. The repayment rate was exemplary, often exceeding
90 – 95%, against which repayment rate of credit advanced for commercial and industrial purpose is not only for way behind but often dismal. D’Souza and Lobo (2008) concluded that for a development initiative to be successful and sustainable the transparency, accountability and free flow of information to secure commitment, foster ownership, sustain the process and momentum and enable the establishment of effective management of the group.

The SHGs after creation (here, by an external agency, an NGO) started collecting a fixed amount of saving from each member regularly on a monthly basis, thereby creating a common fund. Newer groups, however, are more positive about group dynamics and start with a larger amount of saving. Older groups, however, started with a smaller amount, twenty rupees, then increased it to fifty rupees and now the average saving or thrift rate of the SHGs is Rs. 100 per month per member. For about six months, the group only collected thrift; no loan was given. During this period the groups opened a saving account with a bank, usually the service bank in the area and also started lending to its members; generally with chipping in of all members in decision making. The amounts loaned are small, numerous and for a short duration. The loans cover an array of purposes and the interest charged is generally a little higher than that charged by banks but much lower than that charged by moneylenders.
The majority of the SHGs extend loan at a rate of 2 per cent per month. Generally, the members have moved from small, short, consumption loans to bigger, long-term production loans. Currently, most of the loans being taken for agricultural activity, small business, allied activities, marriages and house building. The SHG members took a number of loans since the loans are obtainable at the doorstep. The repayment of the loan along with interest and regular saving enlarged the working fund and augmented the scope of lending. In spite of this, the working fund generated by the group was obviously not adequate to meet the credit needs of all the members. The group then approached the bank where it had opened the saving account. The bank after ascertaining the validity of demand for credit, credit handling ability of the members, repayment behavior within the group, and finally the accounting system and maintenance of the records, extended a term loan of smaller amount to the group. The group in turn continued to take decision as in the past; the only difference being it has now a higher amount of resources. In addition, the group is jointly liable to the bank for repayment. Thus, a sustainable financial relationship between the bank and the SHG member develops for their mutual benefit. Members are trained in the habit of banking. This credit process deters informal moneylenders. Banks too have realized the significance of SHG credit in terms of credit handling capacity by the poor,
credit discipline and lower transaction cost. Banks provide financial assistance for various entrepreneurial activities. The self-help groups offer a way out of the predicament of collateral, physical access and too much documentation which reduced the ability of formal institutions to serve the poor. Murali (2006) discussed the role of microfinance/ microcredit and self-help groups in natural resources management and in the environmental sustainability of agriculture.

The government plays a key role for the success of any programme. They make many policies which are play on the ground level basically in the villages. Same as government make a lot programme which promote to SHGs and members like SGSY. In regions of the country, where NGO, are not adequately represented, a special initiative has been launched by Naburel in the year 2003 to rope in socially committed individual volunteers like retired and active school teachers, post master, village elders (leaders), anganwadi workers, members of existing credit linking them with banks. This scheme is being implemented in 20 state of the country through regional rural banks/ district central cooperative banks. Volunteers are provided with a grant assistance of Rs. 1200/= per SHG for formation and linking them. As on march, 2005, a total grant assistance of Rs. 5.96 million has been sanctioned to
13 regional rural banks & 2 DCCCBs for promoting 4525 SHGs utilizing 430 Individual Rural Volunteers.

**Role of NGOs**

As per NABARD guidelines, the NGOs have been playing an active role in fostering the growth of SHGs for furtherance of their basic objectives. It has been observed that NGOs, as a fundamental principle of their development role, always aim to make the rural poor economically self-sufficient through development concept took an interesting turn with the introduction of linkage of the SHGs with the formal banking system, started by NABARD in India through Pilot Project from the year 1991-92. Consequently, the role of NGOs also assumed an additional dimension to economic upliftment of the poor. In the backdrop of these development and the traditional promotional activities, undertaken by NGOs for the SHGs, the NGOs are expected to support the SHGs in the following areas:

- to motivate the rural people to organize themselves and to form into self-help groups at village level
- to educate, train the group members in managing the group activities like maintenance of books of accounts, conducting, management of funds, etc;
• to inculcate, promote thrift and savings habit among the group members and to help in institution building along with the development of individual;

• to help the SHG in identifying raw materials and local resources;

• to help the group members to upgrade their skills and technology to make best use of resources;

• to make available credit facilities and to act as a link between the rural poor and the bank;

• to educate and train the group member to utilize credit properly and to improve their economic conditions;

• to help the group members in exploring market for their products; and

• to work as facilitator in the meetings of the SHG.

The ‘Integrated Rural Development Programme’ (IRDP) with a sizeable ingredient of subsidy was launched to alleviate poverty. Corruption and leakage were the bywords. The IRDP borrowers were considered as ‘passengers’ in the banking bandwagon, and less than 10 per cent of them have been found to be still associated with the banks after their loan ‘repayment’ was over (Pulley, 1989). The rural branch managers distributed credit with unconcern. These loans were written off from the mental ledger of the bank.
from the start. Distribution of cheap and easy loans without any deference of repayment seemed more vital (Bouman, 1989). Although moneylenders become less important after independence due to government intervention, they had started reassuming an important role in recent years in the main due to the poor quality of institutional credit (Rajasekhar and Vyasulu, 1990).

Subsequently, the central Government started the Swaranjayanti Grameen Swarozgar Yojana (SGSY) by integration of all the poverty alleviation programmes and visualized the disbursal of credit through SHGs. It is felt that because of the subsidy elements under the scheme, the SHG movement would suffer. However, although a single dose of subsidized credit through schemes like IRDP weakens the motivation for repayment, the possibility of multiple loans is motivation for repayment, the possibility of multiple loans is a motivation for SHG borrowers to pay back the loans. The repayment rated in case for bank dues is ninety percent in the case of SHGs, compared to around thirty five percent in the case of schemes like IRDP.

Batliwala (1994) writes, “Empowerment must be externally induced, by forces working with an altered consciousness and awareness that the existing social order is unjust and unnatural. They seek to change other women’s consciousness; altering their self-image and their beliefs about their rights and capabilities; creating awareness of how gender discrimination, like
other socio-economic and political forces, is one of the forces acting on them; challenging the sense of inferiority that has been imprinted on them since birth; and recognizing the true value of their labour and contributions to the family, society and economy”. Though women have enough entrepreneurial potential, they are unable to converted their entrepreneurial dream in to reality due to poor financial assistance (Rajula and Perumal, 2001). An outside agency or NGO can perform definite roles in self-help groups. One is to act as facilitator, mainly in the early stages of group formation and by giving support to the leaders and members to work out its role and modalities. Social mobilization (in this case provided by NGO) is necessary for organizing women into SHGs, bringing about banks- SHG linkage and organizing training programmes. NGOs, especially with local staff, are the most apt agency for this.

The common experiences of members, reciprocal help and support and collective will power and faith, are some of the qualities and processes of groups that help in empowerment. They offset isolation and alienation by creating an organization to which the women can belong, where they will be heard and would have the security of being one of a majority and a movement, rather than being individual and alone. Secondly, men develop motivation that can lead to a stronger personal identity and self worth. Long-term association also provides the member a chance to give back, to help others, and to acquire
leadership skills. It gives the members new opportunities and achieving self-growth, increasing self-esteem, contributing to the community and acquiring a sense of purpose. Men mention that they have found a new individuality through the self-help groups. Membership of SHGs aided the women to move from an inactive state to being dynamic agents and work for their own change. The women elucidate how they had discovered their power. They are fortified with information. They were thrilled about their newly acquired powers. Men who had so far been hesitant and inhibited have slowly shed their reserve and stepped out of the four walls of their homes to acquire an individuality of their own. They developed a sense of self-worth as they understood that self-empowerment comes from within. They have found strength in numbers.
IMPACT OF SELF HELP GROUPS

In addition to the financial analysis of SHGs, the non-financial areas such as social security and gender dynamic are also affected by the SHG movement. Indeed, poverty reduction is much less an issue of numbers but rather ideas and concepts. The political, social harmony, social justice, community and livelihoods are an analysis of the non-financial impact of SHGs.

The impact of the SHG movement on various aspects of civil society has been varied. As mentioned, the development of SHGs has varied from state to state but, regardless of the phase of evolution, SHGs require external help to continue to grow and have greater outreach and impact to civil society. It is clear from research that some of the obstacles to evolution are beyond the control of the SHGs. The following is a pointed analysis of where government, NGOs, Banks and others, including the private sector, can work together to help answer the needs to SHGs in a measured and effective manner in hopes of not overloading them leading to failure. The SHGs did play a positive role in helping the members in their socioeconomic development, emancipation and empowerment (Jayaraman, 2008). All the data were recorded in the study years 2008-09 and 2009-10. The findings of the both years were arranged on average bases for the table.
Martha Nussbaum writes, “any living culture contains relatively powerful voices, relatively silent voices, and voices that cannot speak at the public space” and “People who have to fight for the most basic things are precluded by that struggle from exercising their agency in other more fulfilling and socially fruitful ways” (Nussbaum, 1999). The most obvious illustration of the ‘fault line of gender’ is the split between the public male world of politics, and the private female world of the family and the household.

Political engagement includes active involvement by SHGs in government including local assemblies, Lok Sabha or Panchayati Raj Institutions (PRIs). One of the key benefits of SHGs is member’s empowerment and this can be seen with the number of women involved in public affairs. While the number of women actually involved in politics is still very low, research has indicated that of those women that stand for election, over 70% had won their seat. And, the female contribution to civil issues ranges from issue of ration cards, laying of pucca roads, building of school, ensuring appointments in vacant positions in schools and health centers, recovery of river bank lands from encroachers and laying of drinking water pipes.
As mentioned, the number of women involved in politics is low. But, the trend is definitely moving up. A mere one decade ago, the likelihood of women contesting panchayat election was extremely low. Their presence today is affecting the perception of women and their role in the political areas. They are being recognized as an important group with serious concerns.

The role of SHGs is both as an inspiration and as financer. Impoverished women develop greater language and financial skills through the SHG which provides the building blocks for higher levels of confidence to engage the world. Also, the SHG sometimes finances the campaign of its members that stand for election.

SHG not only empower its members but also wield a powerful political role as a group as well. At local village meetings, the leaders of SHGs are often invited to attend and speak. The self help groups have concentrated on social mobilization of members given them awareness of legal and political rights (Singh et al., 2009).

Mahatma Gandhi would have insisted upon women’s equal participation and devotion of power to the institutions of local self-governance and the village Panchayat. The Panchayat Raj Act provides for people’s active participation in planning for development of their villages (Saraswathi, 2008). The Self-Help Group members are mentally ready now and have moral
courage to consist the local and Legislative election. There is every possibility that the growth of Self-Help group in the future will provide large number of leaders in India.

The government of India, the State Government and many international agencies like the International Labour Organization (ILO) and UNICEF have been involved in developing programmes to deal with child labour is being given serious thought. The processes have been going on for the last few years and as of now 384 Self Help groups have been formed for eradication of child labour. The 73\textsuperscript{rd} and 74\textsuperscript{th} Amendments (1993) to the Indian Constitution is considered as a breakthrough towards ensuring equal access and increased participation in political power structure for women.

The impact of SHGs on women in the politics is clear, they have helped women enter the political area as they are being elected to various public offices and SHGs themselves are engaged in discussion with governing bodies. SHPIs need to be at least a few steps ahead of the SHGs, in order to be useful to them in their role in politics. Specifically, there is a train women on good governance because the history of poor governance has been long established. If there is to be lasting change, women need to occupy the offices of where strategic planning is done.
Clearly, women face handicaps to their involvement in politics, for example, inadequate education, the burden of household work, a lack of self-confidence and the hostility of deep-rooted culture and religious beliefs. One main stumbling block in women’s participation is time. Women, in general, have little time in their daily activity schedules. Right from early morning to late night, they care of children, sweep and clean their homes, send children to school, take care of livestock, cook food, help in farm activities and do all kinds of miscellaneous things. Also, the prime belief that takes men as the only bona fide political actors, but debar women is also an obstruction to involvement in politics. Beside, the masculine political culture and the adversarial procedure along with the detachment of politics from daily realities are powerful deterrents. Money, or the lack of it, is another inhibitor as women’s lack of independent and adequate income coupled with prevalent social expectations that women spent their income on their families, prevents expenditure on a doubtful political career. Besides, fear and the threats or actual aggression used against women restrict and control women’s activities. The force of custom on women to be silent in front of men, and not to give themselves or their wants priority, combined with most men’s own sense of superiority, means lesser involvements of women in the political sphere.
Nevertheless, women’s participation in SHGs has altered many of them, and these women can be prospective leaders in the local political field. The basic of this change are empowerment, self- assurance, political consciousness and assertion of identity.

A survey was conducted on 300 SHG members. Findings show that participation in gram sabha is an indicator for political empowerment and participation in decision- making bodies. SHGs are found to be effective means for encouraging poor person to participate actively in gram sabha. The table:14, gives the increase in the level of participation of respondents in gram sabha and after they become member of SHGs. The table:14, clearly indicates there was a marked (16%) increase in the participation of respondents in gram sabha after they become member of SHGs. Before the joining of SHGs only 49.33 per cent respondents participate in gram sabha which is increase 65.33 per cent after joining the SHGs. This kind of increased active participation in gram sabha was one indicator that the poor person are getting more involved in the decision making bodies at the local self government and were getting politically empowered in realizing their demands and fighting for their rights.

The 34.67 per cent of the respondents who did not attend the gram sabha even after they become members of the SHG were asked the reason for not attending the last gram sabha. The reasons were that they could not find
time, not satisfied with they were discussions were held in the gram sabha and health reasons. Another area of political empowerment probed in to was contesting of elections. The respondents were asked whether they had voted during last elections to the panchayat and parliament. Against the general trend of poor turnout for voting the persons exercised their franchise in a remarkable way. Almost all to (90.67%) in panchayat and in parliament (67.67%) respondents cast their vote during last elections after become a member of SHGs. There was no significant difference between the casting vote in panchayat and parliament elections. Active membership in any political party might be also considered as an indicator for political empowerment. Among the respondents no one had active membership in one or the other political parties.

The enthusiasm and buoyancy of women because of participation in SHGs are in step with the image they present thus gives hope to others. The self-confidence achieved appears crucial permitting women to step out. The sense of liberty is no less profound. However, the impetus of growth will have to be continued and extended to counterbalance the deterrents of deeply ingrained culture. Women are starting to change not only the subject matter and principles of governance but are also espousing different means to those of men. They do not let official procedures stand in their way. Women stress that
they are more conscious of the issues facing the village for the reason that they put up with burden of dearth of amenities.

Convening their meeting across SHGs, may present women an opportunity to thrash out political issues. The selection of a common women candidate from amongst themselves may also strengthen the prospects of a woman in the election. According to Mani and Selavaraj (2008), An SHG is a homogenous group of rural poor, voluntarily formed to same whatever amount they can do so from their earnings and mutually agree to contribute to a common fund of the group. It has become the member’s own movement leading to their social, economic and political empowerment.

**Social Harmony**

Broadly defined, social harmony encompasses the equality and integrity of relationships between different social groups. To frame the following analysis, SHGs typically consists of the following social groups:

- Schedule Caste (SC)
- Schedule Tribe (ST)
- Minorities (MN)
- Backward Caste (BC)
- Other Caste (OC)
The compositions of SHGs are sometimes exclusively one particular social group or a mix. The impact of SHGs on social harmony has also been mixed. While it has been observed that in groups with mixed membership had group leaders that came from a variety of the social groups. In the vast majority of instances, group’s leaders were almost exclusively from the dominant social groups’ category. This demonstrates a lack of equality and unity across caste divisions. Given the relatively young history of SHGs, it is to be expected that their impact on bridging centuries old divisions would be slow. For the social harmony of the respondents, a sample of 1200 members were studied and the result (Table:15 and figure:14) show that in Meerut district all major groups of caste like OC, BC, SC, MN are found and only a few population of ST was found. The table:16, indicate that majority of the group of backward casts (33.33%) followed by the SC (27.92%). The per cent of ST was very low (1.08%) due to the caste population is few in the district Meerut. A simple castisum was found in the group, that’s maximum percentage was found same cast member in the same group.

Social harmony, creating a mixed caste model between SHG members. SHGs do not appear to be managing social tensions well. The reason for this lack of unity is difficult to identify but could very well be the deep rooted beliefs of the caste system which tends to exclude social disadvantaged
groups. These are problems have are ingrained in the ethos of the villages and it will take a very long time to change. The success of the group approach in rural microfinance has inspired the tendency to look at all networking as essentially good and desirable in rural community development, without acknowledging the entrenched caste, class, ethnic and religious hierarchies that lead to diversities among women (Lahiri Dutt and Samanta, 2006).

For SHGs to better manage social tensions there needs to be a perception among members of equity, or ownership, in an enterprise that exists for mutual benefit. Fostering this cohesiveness is very difficult in a given the environment. SHPIs can encourage the formation of mixed group of SHGs and make these “model” organizations for others to follow.

Social Justice

Social justice is the presence of moral and ethical conduct in areas that are historically typified with backward and abusive customs. There have been several occurrences of SHGs resolving disputed between members and the community at large. These instances include initiating legal action, arbitration, divorce and others. While there has long been dispute resolution mechanisms in villages, in the past it was controlled by men. Now, there are instances of SHG members, being involved in resolving disputes. Whether or not the women are working for their own interests or in the case for justice
varies, regardless SHGs’ impact on the political arena is certainly being seen in social justice, albeit in a slow and evolutionary process.

Social justice is awareness of legal rights and entitlements. SHGs have played an important role in the lives of distressed members. Given the years of suppression of women in India, it is to be expected that SHGs take up the cause of their members. However, they are also responding from a desire to see justice done. Therefore, if helped to process the pros and cons of various situations and arriving at just and sustainable situations, women could be chosen by local communities as arbitrators. Arbitration in most villages is currently a male domain, but the experiences of women in negotiating for women’s rights could be taken to the next logical step of involvement of women in local justice issues, whether or not a member is involved, and whether or not a member is “right” (Reddy, 2005). Similar to the political arena, SHPIs need to be able to provide the technical support to help SHGs equip themselves as arbitrators.

To assess the level of knowledge of the respondents, they were asked whether they knew about the statements and if they knew, from where they received the information, either from the SHGs or from outside. At the individual level, when she acquires sufficient knowledge and skills, there could be an attitudinal change within herself and towards realities around her. The
present study probes into her attitude towards some of the gender issue and social customs prevalent in our present day society, to assess whether change has occurred in her attitude after she has become a member of the SHG.

Empowerment is a continuous process where the powerless people become conscious of their situation and organize themselves it and access opportunities to strengthen it. It takes a long time. In order to examine the real level of empowerment of poor women through SHGs, it requires knowing their number of years of experience as a part of SHGs (Table:16 and figure:15). The table:16, show that a great majority of the respondents (50.89%) had been member of the SHGs for more than three years, and another 12.33% had more than one year. Only 11.89 per cent had less than one year of experience as member of SHGs. Thus the respondents were found having sufficient experience. Although, 24.89 per cent respondents have more than five years of experience as member of the SHGs. It was a significant difference and was due to the fact of education and lack of knowledge about the SHGs. Nataraju and Perumal (1990) also recorded similar findings. According to Kripa and Surendranathan (2008) training alone was not sufficient to motivate villagers to adopt a new technology, instead visual observations of the success of the technology are essential for removing the ‘risk aversion’ attitude. Support from the government prompted women to from Self-help groups. This led to group
farming, which helped women overcome social inhibitions and prove their competence.

**Decision Making**

Decision making was one of the most important aspects looked into while studying the SHGs and social impact of SHGs. The decision making process was looked into from two angles, namely within the family and in the group. This study looked into the change that has happened in the decision making process within the family after respondents become the member of SHGs. The table:17, gives details regarding the areas studied under decision-making process within the family.

The above table:17, showed that there was a visible change that has occurred in the level of participation of member specially women in the decision making process within the family. As far as matters like education of children, deciding menu for the day’s meals and health care, majority was of opinion that there was no change in their families, but at the same time 35 to 65 per cent respondents agreed that there was change in the decision making process within their families. As far as health care and decision on menu the change was found more among members of SHGs. Together with participation in decision-making another important aspect was the freedom of women as far mobility was concerned. The traditional women were considered to be
spending their time with in the four walls of the house. But changes are happening in this sphere since the SHG system came into existence and always women’s contribution to the family in the form of their household work was not taken into consideration, not accounted for this has tried to look into this aspect as well. The above table:17, shows that remarkable change has happened mobility of women – including women going out for attending meeting, classes, seminars, training programme, and various other functions of the SHG – investment and credit utilization were concerned. Most of the respondents had taken different types of loan from SHGs for consumption needs, income generation and other needs. The level of forming education played a significant role in increasing awareness among literates (Robins, 2006).

**Community**

Being a group based organization of members of similar caste and geography has shown that the impact that SHGs have on the community at large have been minor. There have been few instances of significant contributions from SHGs to education, family planning, eradication of child labour and hygiene.

To interpret these findings further it should be noted that such community problems are often large financial commitments which SHGs
simply do not have the capacity to afford. Also, of the few instances where there have been significant contributions from the SHGs to the community, the SHG demonstrated a clear leadership role and rallied the support of the entire village. This demonstrates that given the opportunity, SHGs, assuming they have the capacity, can act as a director of community development. The perception of taking of a woman’s based organization taking a leading role for the betterment of the greater good has monumental impacts on the local community. Gender dynamics begin to balance in instances such as these.

Communities provide strategic support to the SHGs members. SHGs have helped their members and their communities. By taking a leadership role in community development, SHGs are perceived to be a guiding force for the village. Though the instances of SHGs engaging in community development is low, given the capacity, there has been proven results.

SHPIs could help facilitate processes whereby women made long-term plans for their villages as a whole, and worked steadily towards the transformation of their villages into modern and equitable hubs of creative and sustainable actions (Reddy, 2005). They might choose to focus on some core issues in each set of plans that make, and work towards the fulfillment of these. Having persons trained to work on a larger canvas can contribute to a new cadre of political activists. Women may choose to engage directly in party
politics, or to play a watchdog role from the environs of civil society- either way, they will usher in a new era of more responsible politics and public life.

With member becoming powerful individually and collectively, they have been able to tackle problems such as lack of drinking water and electricity, access to health and aganwari services, children’s education and participation in village infrastructure like streets. Dongre et al. (2007) observed the significant high level of awareness regarding HIV/AIDS, the leaders of women’s self help groups could act as potential resource persons for the delivery of health education about prevention of HIV/AIDS to other women in the village of Primary Health Centre, Ahji, Karnataka. Involvement in SHGs has enabled poor to have a voice in the local affairs of the village and has facilitated their involvement in community affairs. D-Silva et al. (2004) recorded half a million hamlet level thrift groups known popularly as self help groups (SHGs), has empowered local communities and served as an important social instrument in the fight against poverty. As a rust of new agriculture technologies and community empowerment, average household income increased by 77% over three years. The growth drivers include community empowerment, local government support and financial linkage to leverage community saving in to productive public investment.
There is also awareness that the members have a mutuality of interests which can often out weight discordant caste and religious differences and throws open the potential of broad-based united action by women for altering asymmetrical power relationships. Women’s involvement in SHGs has helped them assert their individualism as women with commonality of interests. They have carved out an identify above caste or religion. The self-perception comes about from women’s own shared experiences and from stances and image forced on them by the community. The women belonging to SHGs of all caste assemble together although customarily they have been debarred from doing so. Also, as a result of membership SHGs, women of different ages and caste take part in village affairs.

Membership of SHGs enhances women’s bargaining power and helps them negotiate with superior strength in community institutions. Having knowledge of their broader context to women’s lives empowers women. Women’s mutual support is a necessary condition of their improvement. Alone, individual women cannot develop their potential or make their full contribution. The “mentoring” of the women by veteran SHG members has helped to give supervision and assurance to other women who would else be browbeaten by the system.

*Livelihoods*
Livelihoods, meaning a persons’ economic activity, is an area that is vitally important to SHGs. The loan that SHG members receive are intended to improve their livelihoods range from agriculture farming, animal husbandry, dairy and various other goods and services activities. The SHGs have had improved livelihoods to the extent of providing the leveraging needed to start an enterprise. However, the interventions to introduce new livelihoods or refine existing ones that could yield better economic result were done by external agencies.

The support of livelihoods is increasingly being seen as an important area related to microfinance. Indeed, the term of livelihood finance has been coined and is en vogue at leading NGOs. The needs for livelihoods are typically financed by the loans that members receive from the SHG. The need of SHGs varies from the introduction of new livelihoods to providing support such such as marker linkage or procurement techniques to refine existing livelihoods. The government programs such as SGSY, RDP etc. have successful executed livelihood interventions on various fields that have brought about increased cash flows to SHG members as they have been able to bypass middlemen and sell their goods at market and cut costs. Experience has indicated that these benefits would not have possible without external
intervention. Thus, SHPIs can provide the technical livelihood support as needed to help develop SHGs.

Contrary to popular belief, the poor households are engaged in myriad types of micro enterprises which are linked to their livelihood, as a source of employment, the micro enterprises has a lot of potential because of its ease of entry and low of potential because of its ease of entry and low startup capital. It also plays a significant role in self-employment when employment in organized sector or even wage employment is scarce. The micro-credit support extended to the self help groups together with other extension support such as skill upgradation, enhancing entrepreneurial abilities along with provided necessary infrastructures and making support helps the SHGs to cross the barriers that keep them below the poverty line. The table:18 and figure16, is list of the various types of activities taken up by the SHGs. Many groups have been found to take up activities like animal husbandry, horticulture, dairy etc. for augmenting their income. The maximum group (22.67%) was found with the activities of animal husbandry followed by agriculture (10.17%) and minimum were mushroom cultivation (0.76%) followed by bel mala (1.33%). Some groups have been found to take up agricultural activities by taken land on lease for raising suitable crops. Anchal-Das and Sudhishri (2008) observed two self help groups of have been formed
who have contributed substantial amount of their earning from mushroom to the common found.

George et al. (2009) emphasizes the importance of exploring alternate employment and income generation activities such as animal husbandry in order to improve the socio-economic conditions of these women since the family background variables have a vital role in the development of personality traits in children which could affect quality of human capital in the further generation.

Swarna Jayanti Gram Swarojagar Yojana (SGSY), Rural Development Programme launched in our country is one of the poverty alleviation programmes. This scheme is to assist the poorest among the poor in developing the income generating activities which leads to economic improvement as per Singh and Kunzroo (1985) and Zhagan and Singh (1986).

Economic independence or access to an inherited or self-generated income is considered to be the major means of empowerment of women. The equal remuneration Act, 1976 (India) was a major step towards protective legislation and establishing the principles of equality, as it provides for equal remuneration to men and women workers and prevention of discrimination against women in the matter of employment. Self-Help-group’s main activity is the establishment of saving and credit. Saving encourages
people to plan and for future needs. The group members have open discussions and think about various options. Such discussions help in strengthening the analytical and problem solving skills of the members. Enterprising attributes are initiative, creativity, flexibility, leadership, independence, problem solving, persuasive, calculated risk taking, need for achievement, hard work and learning from mistakes. An assessment is presented of the livelihoods and the potential of microfinance for different socio-occupational categories. An assessment of the existing only on saving and credit activities, while there is an immense potential for other services like insurance and micro enterprise development (Reena et al; 2007).

Choo et al. (2008) presented an article argues that addressing power and gender inequities throughout the marketing chain improves men’s and women’s livelihoods and the sustainability of the resource. Similar study done by Sakulsaeng (2008), the study focuses on community based revolving funds intended to help people in tsunami-affected areas to recover their livelihoods. Anjugam and Alagumani (2001) also recorded that the dependence on outside borrowing by the household was reduced to an appreciable extent after joining SHG. Singh et al. (2005) observed that self-help groups had been formed in various villages for crying out the development activities. The groups formed had been linked with banks, GOs and NGOs for various
activities. Monthly contribution by the group was deposited in the bank and utilized for loaning, inter-loaning and carrying out income generating activities. Most of the group members were investing their personal money for carrying out income generating activities.

Osmani (1998) points out that one generation of extensive exposure to income-earning activities cannot be expected to completely defuse centuries of cultural conditioning. Changes in attitude take time to be discernable. A few years of participation in SHGs may not be adequate to alter ingrained power relations roles in the household. As Elson (1991) has stated “Overcoming male bias is not simply a matter of persuasion, argument, and change in viewpoint in everyday attitudes, in theoretical reasoning, and in policy process. It also requires change in the deep structure of economic and social life, and collective action, not simply individual action.” According to Thamizoli and Ignatius (2006), SHG have brought a considerable improvement in the status of women and social capital fostered by SHG activities has a positive role in the improvement of rural household livelihoods.

Policy considerations

In addition to actual technical support, government policy can help support the SHG movement in the previously mentioned areas. Poverty is characterized by lack of public investment in infrastructure or dysfunctional
public systems including education and health care and underdeveloped markets. Large scale investment is required to build infrastructure like roads and bridges so that there can be access to markets. These sorts of investment will have to be completed by the state government. They payoff such costs though is infinite. An improved infrastructure will help to increase investment and mobility of staff. Further, livelihoods can be enriched through greater access to market.

In some areas, there is a reasonable amount of infrastructure that state-owned rural banks operate. As some SHGs have grown and matured to a sizeable scale, they need access to more financial services. Governments can address this need through their state-owned banks by introducing flexible and easily accessible products. Specifically, products such as innovative saving products, micro-insurance, larger loans and enterprise financing can be introduced. Banks lending to SHG federations could also facilitate access to livelihood finance by the women SHG members. Not only will programs such as these address the service gap but it will also change perceptions among bankers. If the state-owned banks take the lead, other bankers will likely follow and make an investment to work with the poor and expand their service to them.