SUMMARY AND CONCLUSION

In India, in the end of IX plan the rate of growth of implemented various schemes to reduce poverty and to promote the gain full employment. But the more attractive scheme with less effort (finance) is “Self Help Groups”. Self Help Groups (SHGs) are becoming one of the best means for the empowerment of poor in almost all the developing countries including India. “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.

The Self-Help-Groups define as- “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”.

The concept of Self Help Groups is not something very new. The concept of self-help and mutual help existed in our country prior to any organized or formal from of self-help and mutual help. The history of
organized self-help and mutual help may be traced back to the origin of the concept of credit unions. The concept of credit unions was development in the field of thrift and credit. A credit union is a group of people who join together to save money and to make available loans to each other at a low rate of interest. A credit union is a financial co-operative organized by a group of people with a shared field of membership. The origin of SHGs is from the brainchild of Grameen bank of Bangladesh, which was founded by Mohammed Yunus. SHGs were started and formed in 1975. In India NABARD is initiated in 1986-87, But the real effort was taken after 1991-92 from the linkage of SHGs with the banks. Today, it is estimated that these are at least over 2 million SHGs in India and more then three lakh SHGs in the state. In Meerut district more than 1500 self help groups functioning properly.

For SHG formation the main criteria under the SGSY’s is “SHG has to be a group of rural poor who volunters to organize themseles 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 disert 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.”
SHGs have also federated into larger organizations. Typically, about 15 to 50 SHGs make up a Cluster/ VO with either one or two representatives from each SHG. Depending on geography, several cluster or VOs come together to form an apex body or an SHG federation. The village Organizations, SHG clusters and SHG federations are registered under the Mutually Aided Co-operative Society (MACS) Act 1995.

A most notable milestone in the SHG movement was when NABARD launched the pilot phase of the SHG bank Linkage programme in February, 1992. Soon after, the RBI advised commercial banks to consider lending to SHGs as part of their rural credit operations thus creating SHG Bank Linkage. As a result of these experiments, three most commonly used models throughout the country came into existence. In Model I, the SHGs were organized and promoted directly by banks. But in Model II, NGO organized and promoted the SHGs, and then referred those SHGs to the Bank for lending directly either to the SHGs or to individual members of the SHGs. And in Model III, NGO organized and promoted the SHGs, and then referred those to the bank for linkage, and the bank provided finance directly to the NGO for on-leading either to the SHGs or to individual members of SHGs.

The NGOs/ Banks play a major role 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 installments. The four installments is 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.

The major functions of SHGs as under:

- Create a common fund by the members through their regular saving.
- Flexible working system and pool resources in a democratic way.
- Periodical meeting. The decision making through group meeting.
- The loan amount is small and reasonable. So that easy to repay in time.
- The rate of interest is affordable, varying group to group and loan to loan. Self help group is a strategy to develop the necessary means the abilities by himself through the self help group.

On an average, one SHG consists of 10 to 20 members; a group leader is nominated on the basic of rotation from amongst the group members to conduct meetings. I was impressed by the methodical and orderly process by which the self-help groups conducted their business. Meetings are usually held once in a week. Normally, the agenda is disbursement of loans, collection of
saving, fines etc. A record of loans, savings and fines are maintained by an educated member of the SHG, by the group leader or by a facilitator who is paid honorarium by 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. Never groups are more positive about 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 loans were given. During this period the groups opened a savings account with a bank, usually the service bank in the area and also started lending to its members; generally around the eighth month of their creation. The groups by and large evolved flexible system of working and managing their collective resources in a democratic way, generally with chipping in of all members in decision making. The amount 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 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 proper documentation is very for the maintaining a group. That provides the economic growth of the group. This clearly indicates that great majority of the members were aware of the functioning of the SHG and were particular about keeping transparency in all dealings.

A total 1200 respondents from twelve blocks were interviewed using interview schedules for know the socio-economic profile. A total 100 respondents were selected from each block. 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 interview schedules.

The result 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.

The educational level 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.

Size of the land is another important factor that determines the economic status of the respondents. The result indicates 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.

The occupation of the respondents is discussed and 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% members 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.

The monthly income of the respondents are indicate 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. Therefore, participation in income generating activities under various schemes had a positive impact on the socio- economic condition.

The martial status 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 house wives.

Under general information on the families of the respondents the result shows that majority of the respondents 88.08% residence in rural areas, only 11.92% of total respondents lived 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 kutcha houses.

The Result shows 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.

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. 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.

Under the use of mass media the result indicates 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 news paper and journal/ magazine is very low because the avablity of the news paper and journal. The study showed that television was found to be the most effective treatment, followed by newspaper, internet and radio.

Result shows that the characteristics like age, education, social participation, extension contact, and risk orientation were positively influencing the empowerment and decision making levels with respect to capacity building of members of SHGs. 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 member.
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.

The result 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 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%). 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

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

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groups who 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%.

Repayment of loan in time is very essential for the smooth functioning of the SHG. The result 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. Currently, most of the loans are 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 with interest and regular saving enlarged the working fund and augmented the scope of lending.

The political, social harmony, social justice, community and livelihoods are an analysis of the non-financial impact of SHGs. It is clear from research that some of the obstacles to evolution are beyond the control of the SHGs. 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 increase in the level of participation of respondents in gram sabha and after they become member of SHGs. It 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. Another area of political empowerment probed in to was contesting of elections. Almost all to (90.67%) in panchyat 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.

For the social harmony of the respondents, a sample of 1200 members were studied and the result 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 finding 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.
Social justice is awareness of legal rights and entitlements. SHGs have played an important role in the lives of distressed members. The findings 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. Those who were already member in SHGs were also become major motivating agents. However, for majority of the respondents the motivating factor for joining the SHGs was economic factors, which included inculcating savings habit and getting easy loan at a reduced rate of interest. It was a significant difference and was due to the fact of education and lack of knowledge about the SHGs.

Decision making was one of the most important aspects looked into while studying the SHGs and social impact of SHGs. The result shows 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.

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. Communities provide strategic support to the SHGs members. Though the instances of SHGs engaging in community development is low, given the capacity, there has been proven results.

Livelihoods, meaning a persons’ economic activity, is an area that is vitally important to SHGs. 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.
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. 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.