

## **CHAPTER V**

### **Analysis of benefits received by SHGs (Demand side)**

#### **5.1 Introduction**

In order to analyse the performance of self help groups 200 SHGs from the district are selected. Various NGOs who are working under Tamil Nadu Corporation for women development is approached to identify SHGs. Ten groups from each block are selected. Tirunelveli district is divided into 19 blocks and one corporation. 200 women groups are selected from the district to analyse various aspects of the groups. Deliberate Sampling method is used to select the groups. NGOs that are under TNCDW are approached to spot out SHGs. All the aspects about the groups, their savings, loan availed and their economic upliftment after joining SHGs are analysed in detail. The researcher has approached TamilNadu Corporation for Development of Women (TNCDW) because the groups studied are formed by the NGOs who are working under Government department and the loan availed by SHGs are provided under Government sponsored schemes (like SGSY, SJSRY etc..).

#### **5.2 Analysis of Demographic Factors**

Self Help Groups, as a pilot project, was implemented in Tirunelveli district by NABARD in the year 1999. So the study is done for seven years commencing from 1999 - 2000 to 2005 - 2006.

The name of the studied groups is provided in annexure-3 and the area covered is provided in annexure-4. As they are not registered groups, the names of many groups are same.

**Table 5.1**  
**Details of year of formation of selected SHGs**

<b>Year of Formation</b>	<b>No. of Groups</b>	<b>Percentage to Total</b>
1999-2000	14	7.0
2000-2001	30	15.0
2001-2002	65	32.5
2002-2003	32	16.0
2003-2004	36	18.0
2004-2005	13	6.5
2005-2006	10	5.0
<b>Total</b>	<b>200</b>	<b>100</b>

Source: Primary data

The year of formation of the selected SHGs are given in the above table. The minimum percent i.e. five percent of the groups studied were formed in the last year of the study. Eighty eight point five percent of groups selected were formed during the first five years of the study (Table 5.1).

Details of number of members and corresponding groups along with percentage to total are given in Table No. 5.2.

**Table 5.2**  
**Details of number of members in each group**

No. of members in each group	No. of Groups	No. of members	Percentage to Total
14	8	112	4.0
15	10	150	5.0
16	22	352	11.0
17	56	952	28.0
18	47	846	23.5
19	33	627	16.5
20	24	480	12.0
<b>Total</b>	<b>200</b>	<b>3519</b>	<b>100</b>

Source: Primary data

Among the studied groups, the researcher finds that 56 groups have 17 members which is the highest. Majority of the studied groups have members more than 17. The groups which have more members are benefited because they can save more. The bank lending is also based on their savings which is three to four times of their savings. NGOs also entertain the membership of the group to be high, since the loan provided by the banks is based on their savings (Table 5.2).

Details of number of sample groups formed during the study period and the number of members in each group are given in Table No. 5.3.

**Table 5.3****Membership details of each group and the year of formation**

Year	No. of Members in Each group							Total
	14	15	16	17	18	19	20	
1999-2000	2	-	3	-	8	1	-	14
2000-2001	3	4	8	7	5	-	3	30
2001-2002	1	3	2	24	15	17	3	65
2002-2003	1	-	-	14	13	2	2	32
2003-2004	1	2	9	7	1	10	6	36
2004-2005	-	1	-	1	1	1	9	13
2005-2006	-	-	-	3	4	2	1	10
	<b>8</b>	<b>10</b>	<b>22</b>	<b>56</b>	<b>47</b>	<b>33</b>	<b>24</b>	<b>200</b>

Source: Primary data

The combined table which shows the number of groups formed in a particular year and number of members in the group formed in that particular year is given in Table No.5.3. From the table it is evident that the groups which have less than 17 members are formed during the early stage of the project implementation. As awareness increases and the benefit of more members in group is realised, the number of groups formed during the later years of the study have more than 17 members.

Respondents are grouped according to their age and their percentage to total are calculated and presented in Table No. 5.4

**Table 5.4**  
**Age wise distribution of members**

Age	No. of members	Percentage to Total
Below 20	213	6
20-30	1104	31
30-40	1213	35
40-50	872	25
50-60	117	3
<b>Total</b>	<b>3519</b>	<b>100</b>

Source: Primary data

The total strength of the studied 200 groups is 3519. When the researcher analyse the age wise distribution of the respondents, 66 percent of them lie in the age groups of 20- 30 and 30-40. This is because of heavy responsibility they have in the family. As they have to support their family financially, they are forced to do some activity or to get loan at reasonable interest.

The researcher has not found any minor (below 18 years) among the studied groups. In the first classification i.e. below 20 years, all are of the age 19 years and 20 years (Table 5.4).

The educational level of the respondents is studied because the SHGs have to maintain certain register and they have to do bank transactions also. Since this need some knowledge the educational level of the respondents are studied.

Details of educational qualification of the members of the studied groups are given in Table No. 5.5.

**Table 5.5**  
**Details of Members Educational Status**

<b>Educational Level</b>	<b>No. of Members</b>	<b>Percentage to Total</b>
Illiterate	47	1.3
Primary School	864	24.6
High School	1252	35.6
Pre degree (+2)	1271	36.1
Degree	51	1.4
Technically Skilled	34	1.0
<b>Total</b>	<b>3519</b>	<b>100</b>

Source: Primary data

The researcher has found that almost all the respondents are literate. Nearly 99 percent of the respondents are capable of reading and writing. One point four percent of the respondents are fresh graduates. The younger generation is aware of the importance of higher education. Thirty four members are technically skilled. The researcher also found that the graduates and technically skilled members belong to the age group of below 20.

Not only the women who are in cities are supporting their family but the women who are in village are also engaged in some occupation to support their family. Financial problem is one of the most critical problems which are faced by most of the families. So,

in order to study how far the members are supporting their families, the occupation of the respondents is studied (Table 5.5).

Details of occupation of members of the studied groups are presented in Table No.5.6.

**Table No.5.6**  
**Occupation wise distribution of members**

<b>Occupation</b>	<b>No. of Members</b>	<b>Percentage to Total</b>
Farm Labourers	546	15.6
Off Farm Labourers (Street Traders)	97	2.8
Construction Labourers	673	19.2
Artisans	106	3.0
Others	786	22.4
<b>Sub Total</b>	<b>2,208</b>	<b>63</b>
Home Makers	1,311	37
<b>Total</b>	<b>3,519</b>	<b>100</b>

Source: Primary data

From the Table 5.6 it is evident that 63 percent of the members are earning members. Only 37 percent of the respondents are housewives. The women are engaged in some occupation or other to earn and support their family. The researcher has identified some occupations like beedi rolling, servant maids at houses, sweepers in schools, sweepers in private companies. They are grouped under the heading 'others'. Some women have special skills like mat weaving, cloth weaving and they are grouped under 'Artisans'. Farm labourers and construction labourers are seasonally employed. Hence,

their earnings are not continuous in nature. The growth of the textile mills has affected the life of weavers.

Ninety seven members are engaged in small trading. They are street traders. They sell vegetables, fruits, fish, and flowers. Though the respondents are working their earnings are not continuous.

When the researcher study about the occupation of the respondents, it is also necessary to study about the income of the respondents. To study the income, the average monthly income of the respondents is collected and grouped. Details of the income of the respondents are presented in Table No.5.7

**Table No.5.7**  
**Average monthly income of the members**

<b>Income Level (In Rupees)</b>	<b>No. of Members</b>	<b>Percentage to Total</b>
Below 500	117	5.3
500 - 750	67	3.0
750 - 1000	57	2.6
1000 - 1250	643	29.1
1250 - 1500	1,324	60.0
<b>Total</b>	<b>2,208</b>	<b>100</b>

Source: Primary data

Sixty percentage of the members are earning around Rs.1500 per month. Servant - maids, sweepers in schools and in small private organisations get their income regularly and earn more compared to other members. Construction labourers also earn around Rs.1500 on an average basis. They get Rs.150 per day but it is a seasonal employment. Farm labourers earn Rs.75 per day but their employment is also seasonal. Their average income falls between Rs.1000-Rs.1250. However, weavers and mat weavers find it hard to



market their products and their living is hard and earns only below Rs.500 per month. Beedi rolling also forms an important occupation in the district among women including children. Their average monthly income also falls below Rs.500. Some women are street traders selling fish, flowers, vegetables and fruits. Their earnings range from Rs.750-Rs.1000 per month. The income level of the respondents is an important aspect of this study because this factor made them to join SHGs where they can get loan from their savings (internal lending) and also from the bank at a lower rate of interest (Table 5.7).

India is the country where people of different religion are living. Generally people belonging to the same group perform well. Hence, to know the performance of groups it is also necessary to study about their religion. The researcher also wants to know whether there is any discrepancy among members on the basis of religion.

Details of Religion of the respondents are given in Table No.5.8. Apart from religion caste details i.e. SC/ ST are also studied because government is providing more subsidies to the groups who belong to schedule caste/ schedule tribe category. In order to know whether there is purely SC /ST groups among the sample groups, the same is also included.

**Table No. 5.8**  
**Details of Religion of members**

<b>Religion</b>	<b>No. of Members</b>	<b>Percentage to Total</b>
Hindu	2,218	63.0
Muslims	484	13.7
Christians	817	23.3
<b>Total</b>	<b>3,519</b>	<b>100</b>

Source: Primary data

Hindu women are highest among the respondents. India is the home country of Hindu religion. It is quite natural that majority of the women are Hindus.

Muslim women are not allowed to work or engage in other activities. Hence, their percentage is minimum.

Schedule Caste and Schedule Tribe is a category of people who need social upliftment in the society. The government has given priority in many respects for their improvement and economic upliftment. For purely SC/ST groups the subsidy given is more when compared to other mixed groups. So, in order to know whether SC/ ST groups are present among the studied groups the researcher has also included the category in he schedule.

**Table No. 5.9**  
**Details of SC /ST Members**

<b>Caste</b>	<b>No. of Members</b>
SC	464
ST	23
<b>Total</b>	<b>487</b>

Source: Primary data

Among total 3519 respondents, 487 belong to the above said category. But the researcher has not found any group consisting only SC /ST members. There are mixed groups with other caste members. The researcher has not found any difference among the members based on religion (Table 5.9).

Women who are married have more responsibilities towards their family. They have to face the financial need in emergencies like medical expenses, family functions etc. Hence, the marital status of the members is also studied. Details of marital status of the members are given in Table No. 5.10.

**Table No. 5.10**  
**Marital Status of group members**

<b>Marital Status</b>	<b>No. of Members</b>	<b>Percentage to Total</b>
Unmarried	565	16.0
Married	2,615	74.3
Widow	160	4.6
Deserted by husband	179	5.1
<b>Total</b>	<b>3,519</b>	<b>100</b>

Source: Primary data

Married women occupy nearly 84 percent of the total respondents. Among them four point six percent are widow and five percent of women are deserted by husband. In villages, it is quite common to see women left helpless by their husbands. To support the family, they earn and the desire to avail credit at a lower rate made them to join SHGs. There are 565 unmarried young ladies among the members (Table 5.10).

**Table No.5.11**  
**Family size of group members**

<b>No. of members</b>	<b>No. of Groups</b>	<b>Percentage to Total</b>
Below 4	26	13
4 - 6	134	67
7 - 9	40	20
<b>Total</b>	<b>200</b>	<b>100</b>

Source: Primary data

The expenses of a family depend upon the family size. The same aspect shows that 26 groups have small families which have below four members. There are 40 groups which have seven to nine members. Sixty seven percent have medium size family with four to six members (Table 5.11).

The source of information about the SHG to the members is studied. How the respondents are exposed to SHG is presented in Table No. 5.12.

**Table No. 5.12**  
**Source of information about the SHG**

<b>Source of Information</b>	<b>No. of groups</b>	<b>Percentage to Total</b>
Ward Members	33	16.5
Peer Group	149	74.5
Local Leader	18	9.0
Other	-	-
<b>Total</b>	<b>200</b>	<b>100</b>

Source: Primary data

Most of the members are aware of the functioning of SHG from peer groups. The local leaders' participation is negligible in this regard.

The respondents, who are women, can easily come into contact with other women residing in the same area. The advantage of joining a SHG is clearly listed out by the other group members and is the reason for the high percent gained by the source 'Peer Group' (Table 5.12).

Reasons for joining SHG are analysed by the researcher. The individual attitudes of the respondents differ and the motivational factor for joining SHGs also differs. Details of reason for joining SHG are provided in Table No. 5.13.

**Table No. 5.13**  
**Reasons for joining SHG**

Reason	No. of group	Percentage to Total
a) To avail credit and to develop saving habit	160	80
b) To develop saving habit	28	14
c) To meet unexpected demand for cash	12	6
d) Strong willingness to improve economic condition of the family	-	-
e) Peer pressure	-	-
f) Motivation of ward members	-	-
<b>Total</b>	<b>200</b>	<b>100</b>

Source: Primary data

To avail credit, to develop saving habits and to meet unexpected demand for cash are the reasons which made the respondents to join SHG. One hundred and sixty groups accept that the main reason to join SHG is to avail credit at lower rate of interest which relieves from the clutches of the money lenders and to develop saving habit. Unexpected demand for cash can be solved by getting internal loan (loan from their savings) is the opinion of nearly six percent of the groups. Loan from their savings are granted to the

members according to the priority of their needs. Twenty eight groups express that they want to develop the saving habit by joining SHG (Table 5.13).

The concept Self Help Groups has been started by the government in order to help the poor in rural area and to meet their credit requirement. Special emphasis is given to the 'below the poverty line' population. Hence, the researcher analysed about the same. Details of members who belong to below poverty line is given in Table No. 5.14

**Table No. 5.14**  
**Number of groups below and above poverty line**

<b>Below and above poverty line</b>	<b>No. of Groups</b>	<b>Percentage to Total</b>
Groups above poverty line	154	77
Mixed Group (above & below poverty line)	46	23
<b>Total</b>	<b>200</b>	<b>100</b>

Source: Primary data

All the members of 154 groups are above poverty line

A family which is having only one meal a day and whose average annual income is Rs.12, 000 is considered as below poverty line.

The total income of the family (both husband and wife) is considered and only few among the respondents are below poverty line (Table 5.14).

There are mixed groups where both categories of members are present. The number of members below poverty line in a group is presented in Table No. 5.15

**Table No. 5.15**

**Number of members below poverty line**

<b>No. of members below poverty line in a group</b>	<b>No. of Groups</b>	<b>No. of members</b>
2	16	32
3	30	90
<b>Total</b>	<b>46</b>	<b>122(3.5)</b> <b>3519 (100)</b>

Source: Primary data

The number of members below poverty line in mixed group is studied. Sixteen groups have two members and 30 groups have three members who are below poverty line. Thus the total number of members below poverty line is 122. The percentage of members below poverty line is only three point five percent of the total members (Table 5.15).

**Multi Member Enrolment**

The researcher has not found any multi member enrolment in the same group. Only one members of a family should be a member in one group. The rule is strictly followed. But the members of a family are members of different groups. The NGO's are not encouraging multi member enrolment.

**5.3 Analysis of Group Activity**

Conducting meetings regularly is an important aspect of SHG. It enables the group members to know about the performance of the group and to improve the co-operation among members. It also develops the communication skill of the members.

Since all the members are women and pertain to same economic status, meetings enable them to discuss about their personal problems also.

When the researcher analysed about the conduct of meeting among the selected groups, the result is positive. All the groups conduct meetings regularly. Meetings are conducted mostly at group leader's residence. Some times it is also conducted at group member's residence.

**Table No. 5.16**  
**Details of Meetings**

Meetings per Month	No. of Groups	Percentage to Total
4	112	56
3	62	31
2	26	13
1	-	-
<b>Total</b>	<b>200</b>	<b>100</b>

Source: Primary data

Meetings are conducted regularly by the groups. But the time gap between each meeting differs. One hundred and twelve groups conduct meeting four times in a month. There also some groups which meet once in 10 days and 15 days (Table 5.16).

Meetings make the group members not only to discuss about the group's performance but also to discuss and reveal their opinion about social problems and family problems. Individually the poor people are weak and lack resources to solve their problems. When the group tries to help its members, it becomes easier for them to face the difficulties and come up with solutions.



## Attendance of Group Members

Mostly all the members attend the meetings regularly. If they didn't attend the meeting they should inform it to the leader before the day of the meeting and the reason is mostly sickness, pre-occupation with household activities, family functions etc. Details of attendance percentage are given in Table No. 5.17

**Table No. 5.17**

### Attendance percentage of group members

Percentage of Attendance	No. of Groups	Percentage to Total
100-95	86	43
95-90	74	37
90-85	40	20
85-80	-	-
80-75	-	-
<b>Total</b>	<b>200</b>	<b>100</b>

Source: Primary data

Mostly the meetings are conducted during week days only. So, when the researcher analyse the attendance percentage it was quite satisfactory. The absenteeism percent was meager. The absentees range from one to two members (Table 5.17).

## Fine for absenteeism

The groups also charge fine for absenteeism. The fine amount is low and affordable for them. This is not to punish them but to make them realise the importance of attending meeting. The fine amount ranges from two to four rupees. This also helps to keep the group under control. Details of fine charged for absenteeism among groups is provided in Table 5.18.

**Table No. 5.18**

**Details of fine charged by the groups for not attending meeting**

<b>Amount (In Rs.)</b>	<b>No. of Groups</b>	<b>Percentage to Total</b>
4	145	72
3	32	16
2	23	11
1	-	-
<b>Total</b>	<b>200</b>	<b>100</b>

Source: Primary data

One hundred and forty five groups charge rupees four as fine and 11 groups charge rupees two. The fine amount is to make them attend meeting regularly and not to punish them. The fine amount is not charged for absenteeism if the reason is genuine (Table5.18).

### **Discrimination among Members**

The members of SHG must be residing in same locality and of same standard of living. This is followed to avoid discrimination among members. If some members are of high economic standard, naturally their domination will be in the group.

Researcher analysed the discrimination problem among group members and found that there is no discrimination among group members. All the groups are mixed groups in religion and do not pertain to a particular religion or caste. This is the only difference among them. The members of a group belong to same locality. Though there are 122 members below poverty line, there is no discrimination among the members.

### **Leadership of the Group**

Leadership of the group must be on rotation basis. This is to give importance to all group members and all must learn the transactions which are conducted in the group. So, all can develop leadership qualities. This will give equal opportunity and give

encouragement to all members in the group. All members should take responsibility carefully for their own development in all respects and should also take leadership responsibility in the group with service motive but not for her own interest.

Because of the above said reason, the researcher analysed whether the leadership of the studied groups follow leadership on rotation basis. It is observed that the leadership of the group rotates but the period of holding the position differ from group to group.

### **Maintenance of Books and Registers**

The group has to maintain certain books and registers. Since the activity involves monetary transactions certain accounts are to be maintained. Details of loan given, repayment of loan, interest collected, proceedings of the meeting, and rules of the group are certain aspects which should be recorded and maintained.

The researcher has to study whether the groups maintain the register properly or not. It is a common answer given by all the groups that initially they found it difficult to maintain the records and to conduct the bank transactions. Animator's are helping in this regard and their help makes the group to learn the things quickly. After few months or a year the group members are confident and they are familiar about the bank transactions.

As mentioned before in the study, the group members are mostly literate and nearly one and half percent are young graduates. Nearly 74 percent have finished their high school studies. This made the group members to learn how to maintain the registers. Some illiterate members are learning to read and write from literate members

### **Active Participation**

All members should participate in the discussion and decision making process in the group meetings. Equal opportunity and encouragement should be given to all members for their all round participation in the group. All the members should participate in savings and credit management activities under a special focus.

SHG is a group activity by which the members help themselves and also other members. So, participation in the group activity and in meetings are important.

The researcher has analysed the above said aspect among the studied groups. The group leaders are satisfied about the participation of the members in their groups. Some who lack communication skills hesitate to speak in a gathering are developing their communicative skills. Generally, members are free to discuss about their family problems since they can speak in mother tongue and another fact is that all the members are women who are residing in same locality.

Apart from group work, they are also free to discuss about birth control and birth preventive measures. The members have started realising the advantages of a small family. The animators also advice them to keep themselves clean and hygiene.

#### **5.4 Economic Indicators**

Some of the aims of SHG are

- a) To promote co-operation and self help attitude among the members.
- b) To promote savings attitude among the members for their good future and to make the members to do the small savings regularly in the group.
- c) To meet the credit needs of the members in time for consumption, income generation, asset creation and other appropriate purposes.
- d) Resource mobilisation, careful use and its proper management in the group.

‘Savings first credit next’ is the principle followed in SHG. The groups must save a small amount which is affordable by them either weekly or monthly.

Soon after an SHG is formed and one or two meetings held where the savings are collected, a savings bank account can be opened in the name of the SHG. After saving for a minimum period of two or three months, the common savings fund should be used by the SHG for lending its own members.

The researcher analysed the savings of the sample groups. Details are given in Table 5.19

**Table 5.19**  
**Details of Savings of Groups**

<b>Savings Per week /Per Month</b>	<b>No. of groups</b>	<b>Percentage to total</b>
10 p/w	8	4.0
15 p/w	27	13.5
20 p/w	14	7.0
25 p/w	96	48.0
75 p/m	37	18.5
100 p/m	18	9.0
<b>Total</b>	<b>200</b>	<b>100</b>

Source: Primary data

Among the studied groups, there are groups who save weekly and groups who save monthly. Each and every member should save at least rupees five per week or Rs.20 per month in the group. But the studied groups save more than minimum specified amount. They try to save more because the loan provided by the banks depends, upon the quantum of their savings. The amount of loan by the bank to the SHG can be to the tune of one to four times of its savings.

The members can avail loan from their savings amount. The purpose, terms and conditions for lending to its members, rate of interest etc., may be decided by the group through discussions during its meeting (Table 5.19).

The credit can be given to the needy members of the group for consumption, income generation, asset creation, clearing the old burden loans etc.

The credit from the savings should not be issued repeatedly to only a few members. The funds of the group should be revolved to the optimum extent for the benefit of all members.

**Table No. 5.20**  
**Details of the Number of groups and their savings amount**  
**per week / per month**

Amount of Savings(Rs.)	No. of Members							Total	Percentage to Total
	14	15	16	17	18	19	20		
10 p/w	2	-	1	2	1	1	1	8	4.0
15 p/w	-	2	8	8	4	5	-	27	13.5
20 p/w	-	-	6	4	1	-	3	14	7.0
25 p/w	6	7	5	39	24	7	8	96	48.0
75 p/m	-	1	-	-	-	11	16	37	18.5
100 p/m	-	-	2	3	6	4	3	18	9.0
<b>Total</b>	<b>8</b>	<b>10</b>	<b>22</b>	<b>56</b>	<b>47</b>	<b>33</b>	<b>24</b>	<b>200</b>	<b>100</b>

Source: Primary data

The above table shows that Rs.25 per week may be taken as idle for them to save and nearly 96 groups (48 percent) save Rs.25 per week and nine percent of the group saves Rs.100 per month. Thirty seven percent of groups save Rs.75 per month. More they save more internal credit can be availed.

The researcher also tried to analyse their yearly savings and presented in Tables 5.21 to 5.27

**Table 5.21**  
**Details of savings of groups consisting of**  
**14 members (for one year)**

<b>Savings (In Rs.)</b>	<b>No. of groups</b>	<b>Savings per year (Rs.)</b>
10 p/w	2	14,560
25 p/w	6	1,09,200
<b>Total</b>	<b>8</b>	<b>1,23,760</b>

Source: Primary data

The total savings of group consisting 14 members for one year amounts Rs.1,23,760. Among them two groups save Rs.10 per week and six groups save Rs.25 per week. (One year= 52 weeks) (Table 5.21).

**Table 5.22**  
**Details of savings of groups consisting of**  
**15 members (for one year)**

<b>Savings (in Rs.)</b>	<b>No. of groups</b>	<b>Savings per year ( Rs)</b>
15 p/w	2	23,400
25 p/w	7	1,36,500
75 p/m	1	13,500
<b>Total</b>	<b>10</b>	<b>1,73,400</b>

Source: Primary data

Among the 200 studied groups, there are 10 groups which have 15 members each. The saving amount of these 10 groups differs. Majority of this category (seven groups) saves Rs.25 per week and one group saves Rs.75 per month. The total savings of the group which has 15 members works out to Rs.1, 73,400 (Table 5.22).

**Table 5.23**  
**Details of savings of groups consisting of**  
**16 members (for one year)**

Savings (in Rs.)	No. of groups	Savings per year ( Rs)
10 p/w	1	8,320
15 p/w	8	99,840
20 p/w	6	99,840
25 p/w	5	1,04,000
100 p/m	2	38,400
<b>Total</b>	<b>22</b>	<b>3,50,400</b>

Source: Primary data

The total amount saved for one year by groups consisting of 16 members is Rs.3,50,400. Here also, the amount saved among them varies widely. Only one group saves Rs.10 per week which is the lowest amount. Two groups save Rs.100 per month. Eight groups save Rs.15 per week (Table 5.23).



**Table 5.24**  
**Details of savings of groups consisting of**  
**17 members (for one year)**

Savings (in Rs.)	No. of groups	Savings per year (Rs.)
10 p/w	2	17,680
15 p/w	8	1,06,080
20 p/w	4	70,720
25 p/w	39	8,61,900
100 p/m	3	61,200
<b>Total</b>	<b>56</b>	<b>11,17,580</b>

Source: Primary data

Among 56 groups which have 17 members, 39 groups save Rs.25 per week. Only two groups save Rs.10 per week and three groups save Rs.100 per month. Eight groups save Rs.15 per week and four groups save Rs.20 per week. The total savings of this category of group amounts to Rs.11,17,580 (Table 5.24).

**Table 5.25**  
**Details of savings of groups consisting of**  
**18 members (for one year)**

Savings (in Rs.)	No. of groups	Savings per year (Rs.)
10 p/w	1	9,360
15 p/w	4	56,160
20 p/w	1	18,720
25 p/w	24	5,61,600
75 p/m	11	1,78,200
100 p/m	6	1,29,600
<b>Total</b>	<b>47</b>	<b>9,53,640</b>

Source: Primary data

From table 5.25 it is evident that majority of groups (24) save Rs.25 per week. Maximum savings of Rs.100 per month is by six groups.

**Table 5.26**  
**Details of savings of groups consisting of**  
**19 members (for one year)**

Savings (in Rs.)	No. of groups	Savings per year (Rs.)
10 p/w	1	9,880
15 p/w	5	74,100
25 p/w	7	1,72,900
75 p/m	16	2,73,600
100 p/m	4	3,19,200
<b>Total</b>	<b>33</b>	<b>8,49,680</b>

Source: Primary data

The total amount saved by group members consisting 19 members is Rs.8,49,680. Number of groups which saves Rs.10 per week is only one. Sixteen groups save Rs.75 per month and four groups save Rs.100 per month (Table 5.26).

**Table 5.27**  
**Details of savings of groups consisting of**  
**20 members (for one year)**

<b>Savings (in Rs.)</b>	<b>No. of groups</b>	<b>Savings per year (Rs.)</b>
10 p/w	1	10,400
20 p/w	3	62,400
25 p/w	8	2,08,000
75 p/m	9	1,62,000
100 p/m	3	72,000
<b>Total</b>	<b>24</b>	<b>5,14,800</b>

Source: Primary data

Twenty is the maximum number of member which a SHG can have. There are 24 groups with 20 members each among the studied 200 groups. The total savings of this category amounts to Rs. 5,14,800. Only one group saves Rs.10 per week. Three groups save maximum of Rs.100 per month (Table 5.27).

**Table 5.28**

**Total savings of all 200 groups (for one year)**

<b>No. of Members in a group</b>	<b>No. of groups</b>	<b>Savings per year (in Rs.)</b>
14	8	1,23,760
15	10	1,73,400
16	22	3,50,400
17	56	11,17,580
18	47	9,53,640
19	33	8,49,680
20	24	5,14,800
<b>Total</b>	<b>200</b>	<b>40,83,260</b>

Source: Primary data

The above table shows the total savings of all the 200 studied groups for one year. They saves Rs. 40,83,260 for a year. 'Drops of water make the mighty ocean' is a popular proverb in English. Even though the amount saved by each group ranges from Rs.10 per week to Rs.25 per week which is a small amount, the total amount is huge. That too the figure shows the amount saved during only one year by 200 groups.

The analysis also reveals that Rs.25 per week is the amount saved by more than half of the number of studied groups. This may be taken as ideal possible amount to save. There are also some groups which save very small amount i.e. Rs.10. But the number of groups which saves Rs.10 per week is also less.

### **No Change in Weekly Savings Amount**

The amount of savings per week or monthly is not changed. The studied groups save the specified amount and there is no change in it. The amount of saving they decided to save initially while forming the group is not changed after functioning.

SHG members take a step towards self-dependence when they start small saving. They learn financial discipline through savings and internal lending.

### **Other Savings**

The groups are not saving for any special occasions. Needy members who want internal loan put their obligation before meeting. Priority and urgency is listed out and the most needy member is granted loan. They are not saving especially for any festival to celebrate or for marriage of their children. Hence, generally Hindus avail loan during Deepavali or Pongal festivals and Christians avail during Christmas.

### **Non - Borrowing Members**

The researcher has not found even a single non-borrowing member in the group. When they can avail loans at lesser interest than charged by money lenders there is no question of non-borrowing members in the groups. As already stated 80 percent of the studied groups have stated that the primary objective for joining SHG is to avail credit at lower terms.

### **Internal Credit taken by the members**

All the group members have availed internal credit during the study period. Amount of loan taken varies widely and it also depends upon the requirements. They have availed loan many times both for income generating and non-income generating purpose. The priority of internal lending and internal rate are fixed by the group.

## Utilisation of loan

The activity for which internal loan and bank loan are utilised is also studied by the researcher. They may spend it for income generating and non-income generating activities. The income generating activity for which the loan amount is spent by most of the members is listed below.

- a) Purchase of live stock. (Cattle)
- b) For the purchase of fertilizer or pesticide for their land or to invest in their family business.
- c) Weavers buy thread for weaving from the society. They also buy special grass for mat weaving. Some non - income generating activities for which the loan amount is spent are
  - a) Repay the loan which they borrowed from money lenders.
  - b) Purchase consumer - durables and house hold items like mixie, grinder etc.
  - c) Many have built toilets in their house using loan amount which is to be appreciated.
  - d) Renovated their house.
  - e) Since all the children of the group members are studying in Government schools, there is no need for them to spend much on education.

If the loan amount is utilised for income generating activity for first time, it is used for non-income generating activity during the other time. It depends upon the requirement. Since the studied groups have availed both internal loan and bank loan many times, the activities for which they use the loan amount cannot be tabulated.

## Bank to which they are linked

The banks to which the studied groups are linked are also analysed. For SHG service area principle of bank is not followed. So, they can be linked to any bank which they feel convenient for them.

**Table No. 5.29**

### Details of the bank to which groups are linked

Name of the Bank	No. of groups	Percentage to total
Pandian Grama Bank	147	73.5
Indian Overseas Bank	11	5.5
Canara Bank	29	14.5
State Bank of India	13	6.5
<b>Total</b>	<b>200</b>	<b>100</b>

Source: Primary data

Nearly 74 percent of the groups are linked with Pandian Grama Bank (PGB). The reason is that PGB is a Regional Rural Bank (RRB) whose main aim is the upliftment of rural population economically. The rest of 26 percent of groups are linked with Commercial Banks (Table 5.29).

### Assistance provided by the bank

The bank provides three types of loan to SHG

1. Direct Credit
2. Revolving Fund
3. Loan for common economic activity of the group.



## **Direct credit**

Direct credit is a type of loan granted to SHG as a first step. The amount of loan depends on their savings. The amount of loan depends on their savings. The amount of loan of the SHG can be to the tune of one to four times of its savings. Banks can consider higher ratio, if they are satisfied about the SHG's health. The loan is always sanctioned and issued in the name of the group.

The purpose of this type of loan is not decided by the bank. The loan amount can be shared equally or according to their need.

The studied groups have availed the loan many times and detail of the number of times the loan has been availed is provided in Table. 5.30

**Table No. 5.30**

### **Details of the direct credit availed by the groups**

<b>No. of Groups</b>	<b>No of Times</b>
56	1
112	2
22	3
<b>200</b>	<b>6</b>

Source: Primary data

The studied groups have availed the type of loan 346 times during the study period. The amount depends on the performance of the group and their savings.

The authorised functionary of the SHG withdraws money from the bank. The loan amount is handed over to the individual borrowers in the group meeting.

Year wise distribution of direct credit obtained by the groups are tabulated in table 5.31

**Table No. 5.31**  
**Year wise distribution of direct credit availed**

<b>Year</b>	<b>No. of groups</b>
1999-2000	8
2000-2001	31
2001-2002	59
2002-2003	40
2003-2004	84
2004-2005	62
2005-2006	62
<b>Total</b>	<b>346</b>

Source: Primary data

The loan can be used for any private purpose of the members. There may be emergency need like illness in the family, marriage etc. or buying of assets for income generation, acquisition of assets etc.

**Table No. 5.32**

**Amount of direct credit availed**

<b>Amount (in Rs.)</b>	<b>No. of groups</b>
20,000-30,000	71
31,000-40,000	63
41,000-50,000	77
51,000-60,000	69
61,000-70,000	36
71,000-80,000	30
<b>Total</b>	<b>346</b>

Source: Primary Data

The quantum of loan availed under direct credit ranges from Rs.20,000-80,000. As already stated, the quantum of loan sanctioned is based upon their savings and the ratio of savings to loan sanctioned is decided by the bank.

**Revolving Fund**

Revolving fund is another type of credit assistance given to SHG by banks. It is like cash credit. This type of loan never ends and it goes on until the group functions. Details of the groups who were benefited by this type of loan are given in Table No. 5.33

**Table No. 5.33**  
**Year wise distribution of revolving fund assistance availed**  
**during the study period.**

Year	No. of groups	Percentage to total
1999-2000	8	8.8
2000-2001	12	13.2
2001-2002	18	19.8
2002-2003	21	23.0
2003-2004	17	18.7
2004-2005	7	7.7
2005-2006	8	8.8
<b>Total</b>	<b>91</b>	<b>100</b>

Source: Primary data

Amount sanctioned under revolving fund is generally Rs.25,000. The subsidy for revolving fund is Rs.10, 000. The account is not closed until the group function. The groups which are rated high and perform well are sanctioned revolving fund. Ninety one groups have availed revolving fund during the study period. The beneficiaries vary from year to year because the groups which perform well are granted this type of loan. The amount of loan can be revised at the end of every year.

### **Economic Activity**

The groups which have decided to undertake common economic activity for income generation are sanctioned loan for economic activity. The loan amount is to be utilised only for common economic activity of the group. The subsidy given under this

scheme is 50 percent for pure SC/ST groups and one third of the loan amount for other groups.

Some of the studied groups have also availed loan for economic activity. Details are given in Table 5.34

**Table No. 5.34**  
**Year wise distribution of loan for economic activity availed during the study period.**

<b>Year</b>	<b>No. of groups</b>	<b>Percentage to Total</b>
1999-2000	-	-
2000-2001	2	3.2
2001-2002	6	9.5
2002-2003	13	20.6
2003-2004	15	23.8
2004-2005	17	27.0
2005-2006	10	15.9
<b>Total</b>	<b>63</b>	<b>100</b>

Source: Primary data

Sixty three groups have availed loan for economic assistance among the studied 200 groups. Since, the studied group are mixed groups (no pure SC/ST groups) they got subsidy to the extent of one third amount of their loan. The various activities in which they are engaged are listed in Table 5.35.

**Table No. 5.35****Details of economic activity of the groups**

<b>Activity undertaken</b>	<b>No. of groups</b>	<b>Percentage to total</b>
1. Milky Cow	12	19.0
2. Simple chemical Works (Bleaching Powder, Phenoyl)	9	14.3
3. Kari Moottam (Char coal making)	12	19.0
4. Production of candle	4	6.3
5. Sale of Textile	5	8.0
6. Preparation of juice & bakery items	2	3.2
7. Production of flowers	2	3.2
8. Preparation of pickle	3	4.8
9. Xerox Shop	3	4.8
10. Printing of letter pad, covers	1	1.6
11. Production of sanitary napkins	4	6.3
12. Preparation of masala powder	6	9.5
<b>Total</b>	<b>63</b>	<b>100</b>

Source: Primary data

The activity taken by the group members are listed in above table 5.35. Nineteen percent of the groups have chosen to rear milky cow and same percentage of group manufacture char coal. These two occupations are easy to carry since village women are

well known for rearing cows. Preparation of masala powder and pickles are also easy for them since these are jobs which each woman perform in their kitchen. Five groups are selling sarees, blouse materials and ready made garments for kids. They purchase in lot from Madurai (wholesale dealers are lot in Madurai) and sell them in their village and near by areas.

Flowers like Jasmine, rose are cultivated. The flowers are sold in Tirunlveli Flower market. Four groups are producing sanitary napkins and they supply them to the hospitals near and in Tirunlveli.

Since some branded sanitary napkins have already captured the market, they find it hard to market it. So, they supply to the maternity hospitals regularly.

Production of candle doesn't need much technical knowledge. Four groups have undertaken this activity. They are busy during Christmas period and Karthigai festival which is a festival of lights in Tamil Nadu.

Three groups are running Xerox shops. They have purchased second hand automatic xerox machines and operating it is too simple.

Only one group is preparing letter pad and office covers. They were trained to operate the machine and they are able to do it well.

The problem that is faced by some of these groups is regarding marketing of their product. Groups which are involved in the manufacture of pickles, masala powder, bakery items, sanitary napkins, letter pad finds difficult to market them because there are branded products which has already captured the market. The group which prints letter pads finds it difficult to get orders.

The groups which are preparing masala powder and pickles sell them to super markets and it is being sold by the super markets under their brand name. The groups

rearing milky cow are able to sell the milk easily. They supply to nearby houses and also to co-operative society.

**Table No. 5.36**  
**Amount of Loan acquired for economic activity of the group**

Amount (in Rs)	No. of Groups	Percentage to total
below 75,000	6	9.5
75,000 - 1,00,000	5	8.0
1,00,000 - 1,25,000	8	12.7
1,25,000 - 1,50,000	12	19.0
1,50,000 - 1,75,000	6	9.5
1,75,000- 2,00,000	9	14.3
2,00,000 - 2,25,000	7	11.1
2,25,000 - 2,50,000	9	14.3
above 2,50,000	1	1.6
<b>Total</b>	<b>63</b>	<b>100</b>

Source: Primary Data

The amount borrowed for economic activity of the groups varies widely. The amount provided as loan depends upon the activity chosen.

Some activity like charcoal manufacturing, masala powder, pickles manufacturing, candle producing does not need much capital to be invested.

Sale of textile, Xerox Shop, printing of letter pad needs a higher investment.

The groups which are producing flowers have taken land for lease and this also need a higher amount of investment.

The only one which has borrowed above 2,50,000 is the group which is doing printing of letter pad activity (Table 5.36).



## Revision of Revolving Fund

The amount sanctioned under the revolving fund assistance is generally Rs. 25,000. But for all the studied groups the amount sanctioned initially was not revised.

## Entrepreneur Development Programme

Various EDP's are conducted by various departments like District Industries Center (DIC), Centre for Entrepreneur Development (CED), District Rural Development Agency (DRDA), Tamil Nadu Corporation for Development of Women (TNCDW), Tamil Nadu Adi Dravidar Housing Development Corporation (TAHDCO) etc. Attending these programmes by the members of SHGs enable those to get trained and also motivate them take up some group activity. Details of members who have attended training programme (EDPs) conducted by the various Government departments among the studied groups is listed in Table 5.37

**Table No. 5.37**  
**Details of members who have completed seven days Entrepreneur**  
**Development Programme**

Year	No. of members
1999-2000	-
2000-2001	-
2001-2002	12
2002-2003	-
2003-2004	13
2004 -2005	18
2005- 2006	21
<b>Total</b>	<b>64</b>

Source: Primary Data.

Among the studied groups 64 members have successfully completed seven days EDPs. Attending such EDPs will promote self employment among rural women. Taking up a venture will generate income for their family.

Various skill training, Agriculture Skill Based Training, Micro Agri Enterprises Training were provided to the members of SHGs. Total number of members who attended these training are given in Table 5.38. Among the studied groups, 79 members have attended various training programmes. Details are provided below.

**Table No. 5.38**

**Type of training attended**

<b>Type of Training</b>	<b>No. of members</b>
Candle Manufacturing	22
Book Binding	7
Doll Making	11
Vermi compost	17
Simple Chemical works	12
Masala Powder	10
<b>Total</b>	<b>79</b>

Source: Primary Data.

**Help in choosing the activity**

NGOs and various other Government Departments organises the Entrepreneur Development programme and help the groups in selecting the economic activity of the group. They guide the groups in selecting a profitable and viable venture according to the ability of the group and assist them in obtaining the loan and do all preliminary work to start their business.

**Problem faced while getting the loan**

The main problem faced by the groups while obtaining the loan during the study period was that they were not able to fulfill the banking formalities like problems in

filling up the forms and obtaining loan. But these problems were faced by the members at the initial stage. When they are used to the transaction they feel quite comfortable. This problem of handling and operating bank account is seen among the illiterate and less educated members. Some members who are educated are capable of doing it easily. The study shows among to total members (3519) only one point three percent of them are illiterate. They are also learning to read and write from literate members. Fifty one members are young graduates who can guide the other members.

### **Approach of the Bank Officials**

It is also necessary to study about the approach of bank officials, since the SHG and bank are connected in many ways. Some banks are also actively participating in forming self help groups. Pandian Grama Bank, a Regional Rural Bank is also forming self help groups.

Opinion of the groups about the approach of bank officials was also studied. Details are given in Table.5.39.

**Table 5.39**

#### **Opinion of groups about approach of bank officials**

<b>Approach</b>	<b>No. of groups</b>	<b>Percentage to Total</b>
Friendly	82	41.0
Casual	93	46.5
Indifferent	25	12.5
<b>Total</b>	<b>200</b>	<b>100</b>

Source: Primary Data.

Only 12 percent of the groups are of the opinion that bank officials are behaving indifferently with them. Most of the groups are of the opinion, that they are friendly or casual and they treat them as other account holders.

Actually bank officials are supposed to help SHGs more because the women are from rural area and are not aware of banking transactions. There are lots of advantages to banks from SHG

- ❖ Only one SB account is required for a 20 member group. If SHGs have SB account in the branch, the branch is servicing 2,000 customers through just 100 accounts.
- ❖ Though the amount saved by each groups is small, the total amount saved by all the SHGs, in the branch will be a considerable amount.
- ❖ Through banking with SHGs, the bank will get social recognition.
- ❖ The repayment of SHG is 100 percent and there is no NPA for the bank.

So, the bank can involve effectively in formation, nurturing and linking the SHGs to bank.

### **Visit of Bank Officials**

Bank Officials are not visiting the group after providing the loan for follow up action. This is the answer given by all the groups.

## Interest charged by Banks

The studied groups are linked to various Banks and the interest rates charged by these Banks vary. The rate of interest charged by the Banks is presented in Table No. 5.40

**Table No. 5.40.**

### Interest rate charged by the Banks

Bank	Direct credit		Revolving Fund		Economic Activity	
Pandian	Upto 50,000	12%	Upto 50,000	12%	Upto 2,00,000	11%
Grama Bank	51,000 to 2,00,000	13%	51,000 to 2,00,000	13%	Above 2,00,000	12.5%
	Above 2,00,000	13.5%	Above 2,00,000	13.5%		
Indian Overseas Bank	Upto 50,000	10%	Upto 50,000	10%	Upto 50,000	10%
Bank	51,000 to 2,00,000	12%	51,000 to 2,00,000	12%	51,000 to 2,00,000	12%
	Above 2,00,000	13%	Above 2,00,000	13%	Above 2,00,000	13%
Canara Bank		10.5%		10.5%		10.5%
State Bank of India		11%		11%		11%

Source: Primary Data.

Canara Bank and State Bank of India, charges interest at the rate of 10.5 percent and 11 percent respectively, for all types of loan without any ceiling limit.

## Interest charged on Internal Lending

The members can avail loan from their savings. The purpose, terms and conditions for lending to its members, rate of interest are decided by the group itself. The interest

charged is low when compared with money lenders. It ranges from rupees two to four per hundred rupees. Detail of interest charged by groups are given in Table No. 5.41

**Table No. 5.41**

**Details of interest charged on Internal lending**

<b>Interest per 100 per month (rupees)</b>	<b>No. of Groups</b>	<b>Percentage to total</b>
4	33	16.5
3	94	47.0
2	73	36.5
<b>Total</b>	<b>200</b>	<b>100</b>

Source : Primary Data

Only 33 groups charge rupees four per hundred per month. The interest rate charged by these 33 groups depends on the purpose of the loan. If it is an emergency the interest rate is charged at rupees two. The interest rate is charged as rupees four in order to curb unwanted utilisation of loan. All other groups charge rupees two or three which is the interest rate recommended by NABARD.

The interest rate is said, not on the basis of percentage, but per hundred rupees because it is better understood by village women. Hence, the interest is mentioned as rupees two per hundred per month or rupees three per hundred per month.

**Mobilising of resources of groups**

The resources mobilised by the groups are given below.

1. Interest on internal loan
2. Fine charged on members

The resources mobilised on account of interest on internal loan and fine charged were utilized to meet travel expenses. The expenditure includes, visit to Bank for weekly deposit of savings and to meet their NGOs or field officers.

Various economic aspects of the groups are studied in order to analyse the purpose of loan and how it is utilised etc. The researcher has come to the conclusion that all members have availed both internal and external assistance and spent it for both income and non-income generating activities. Some groups have availed loan for common economic activity to earn and to improve their economic condition. Internal lending is very helpful for them to meet unexpected demand for cash. Interest charged is very low. By joining SHG the members are relieved from the clutches of money lenders.

## **5.5 Social Indicators**

If some persons are performing something as a group there must be some occasions for them to celebrate and perform something. The studied respondents are women and naturally they will be interested in cultural activities. It is still in practice, in villages to perform traditional dances during religious festival, temple festival etc. Some groups organise traditional cultural programmes like Kolattam, Kummi etc.

Among the studied groups no group has performed any cultural programme outside their village apart from the one mentioned above. They are not allowed to perform outside or to give a programme on stage because they are conservative and follow old traditions and customs.

Within their village, during special occasions, groups perform traditional dances. The groups which have young women are more enthusiastic in performing such programmes in their village. Details of groups performing cultural programmes are listed in Table 5.42

**Table 5.42**

**Details of Number of groups conducting cultural programmes.**

<b>Particulars</b>	<b>No. of groups</b>	<b>Percentage to Total</b>
Conducting Cultural Programmes	43	21.5
Not Conducting Cultural Programmes	157	78.5
<b>Total</b>	<b>200</b>	<b>100</b>

Source: Primary data

Conducting such cultural programmes enables the group for better understanding and co-operation. It is also a way of relaxation, inspite of their heavy work and problems.

**Melas**

Some groups have taken part in Melas and sold their products. When exhibition are conducted in Nehru Stadium, Palayamkottai, Tirunelveli , five groups have set up their stall and sold their products (Table 5.43).

**Table 5.43**

**Details of Number of groups participated in Melas.**

<b>Products</b>	<b>No. of groups</b>
Masala Products	2
Pickles	1
Bakery Items	2
<b>Total</b>	<b>5</b>

Source: Primary data

Marketing of their products is a major problem as already said. The sales through Melas earned some profit.



## **Celebrations**

India is known for its “Unity in Diversity”. People of various religions live in India. The studied groups are also mixed groups of many religions. There are many festivals which are celebrated by different religions.

The groups are celebrating various religious festivals among themselves and also with the village people. During Pongal, an important festival in villages and also festival of farmers, some groups share their joy by preparing Pongal ( a delicious Dish) and share with others. All the religious festivals are celebrated and during Christmas, Christian members share cakes with them.

Apart from celebrating religious festivals they are not celebrating any National Festivals (Independence Day, Republic Day). They can have the habit of celebrating National Festivals also.

## **Tours**

Tours are also organised by the groups which are studied during the period. A group from Palayamkottai has organized a trip to Courtallam water falls during July 2004. The group ‘Pasa Malar’ consisting of 18 members arranged for a tour to the waterfalls. They contributed money to hire a van and took meals from their houses. They shared the food and enjoyed the trip and this paves way for unity among them beyond religion and caste.

Another group 'Nila' organized a trip to Manimuthar Dam during June 2005. The places they have selected are not too far from Tirunelveli. They can be reached within one and half hours. So it was easy for them to return home before dark.

## **Protesting against Social Evils**

The concept of SHG has developed self confidence and has improved the economic standard of the group members. SHG has made the rural women feel more courageous but when we analyse the question of protesting against social evils, no group have taken any initiative. On further study in this regard by the researcher, it was felt that there is sincere urge amongst the women to protest against the social evils.

In India, even though women earns, they are mostly dependant on the male members of the family. Even though an unfair incident is happening in the society, she has to keep quiet because of her social status in the family. Even a complaint by women against the atrocities met by them to Police station is rare in India. Even Educated women in urban areas and holding a position in a company or any organisation, are not willing to commit themselves in any problem.

In India, particularly in rural areas, atrocities against the wives are common and they have to bear all the mental and physical torture given by husbands and their families. Very few wives protest against this. Any help from other persons are not welcomed by the concerned family.

## **Holding of any Position**

The respondents of the study did not hold any position in any local bodies or involved in politics.

## **Political Interference**

The political interference is zero. There is no political interference in the formation or function of SHGs. Even no NGOs are related to politics. This fact was also disclosed by Tamil Nadu Corporation for Development of women.

### **Help from other SHGs**

No group can function independently without the guidance or help of other groups. SHGs also receive lot of help from other senior groups of the same area.

Initially peer groups help the newly formed group in banking transactions and maintenance of registers. They also help by giving suggestions or opinion in any matter.

While going to bank or to meet NGOs, groups of the same area go together so that they can help one another in bank transactions. Groups also help one another if they have chosen the same economic activity. The studied groups have not received any financial assistance from other groups.

### **Assistance from other Agencies**

The studied groups have not received any assistance from other agencies like TAHDCO, Backward class development corporation (TABCEDCO) because the studied groups are mixed groups. These agencies only assist pure SC/ST groups and BC groups.

Other than the loan provided by the bank, no other assistance is received by the sample Groups. They have received subsidy (those who have availed revolving fund and loan for economic activity), and the subsidy is released by DRDA (District Rural Development Agency).

### **Contribution towards Natural Calamities**

None of the groups have reported contributions towards the Natural Calamities. During the month of December 2006, when Tsunami hit Tamil Nadu, old clothes were distributed to the victims in certain areas.

## Communicative Skill

Communication plays an important role in the successful functioning of SHG, because members have to meet regularly to discuss about the activities of the group and for its smooth functioning. They also have to meet bank officials and officials of different agencies to procure loan. So, communicative skill is most needed for effective functioning of SHGs. The communicative skill of the group before and after joining SHG is analysed and given below to test the null hypothesis (Ho) 'There is no improvement in communication skills, self confidence and behavior due to participation in self help groups'.

**Table 5.44**

### **Communicative Skill of the groups before and after joining SHG**

<b>Communicative Skill</b>	<b>Before</b>	<b>Percentage</b>	<b>After</b>	<b>Percentage</b>
Hesitate to Talk	112	56	-	-
Talk if asked	74	37	45	22.5
Talk Freely	14	07	155	77.5
<b>Total</b>	<b>200</b>	<b>100</b>	<b>200</b>	<b>100</b>

Source: Primary data

The communicative skill of the groups has improved a lot. After joining SHGs they feel free to communicate and they don't hesitate to talk wherever necessary. Nearly 78 percent of the groups are freely expressing their views in meeting and they have developed their communicative skill after joining SHGs (Table 5.44)

## Development in Communicative Skill

Table 5.45

### Development in Communicative Skill.

Rating	Score (W)	No. of groups (X)	WX
Very Good	4	56	224
Good	3	83	249
Very Fair	2	27	54
Fair	1	34	34
<b>Total</b>	<b>10</b>	<b>200</b>	<b>561</b>

Source: Primary data

The average score is 2.80. From the above table, the researcher has come to the conclusion that after joining SHG the communicative skill of the members has improved. This is evident from the positive average score of 2.80.

### Self Confidence

The studied SHGs are women SHGs where women are functioning independently and dealing with money matters which will definitely improve their self confidence. They are now in a position to help the male members financially and securing loan at low interest which benefits them more. Some questions were asked to SHG to analyse the improvement of self confidence among groups. Details of the above said analysis is presented in Table 5.46

**Table 5.46**  
**Details of improvement regarding self confidence**  
**of the groups before and after joining SHGs**

Parameters	Before				After			
	Yes	%	No	%	Yes	%	NO	%
Whether your self confidence develops?	56	28.0	144	72.0	183	91.5	17	8.5
Are you confident of meeting financial crisis in the family?	45	22.5	155	77.5	136	68.0	64	32.0
Do you go for helping the neighbours?	93	46.5	107	53.5	132	66.0	68	34.0
Do you receive respectful treatment from family members?	43	21.5	157	78.5	131	65.5	69	34.5
Do you enjoy freedom of mobility?	56	28.0	144	72.0	146	73.0	54	27.0
Do you visit new places without escorts?	57	28.5	143	71.5	146	73.0	54	27.0

Source: Primary data

The self confidence of the groups has increased and nearly 92 percent of the groups are of the opinion that their confidence has developed. Sixty eight percent of the groups are confident that they are able to manage the financial crisis in their families after joining SHG. They now get respectful treatment from the family members and enjoy the freedom of mobility. Seventy three percent of the groups accept that they are now visiting Various places (like NGO's office, Bank etc.,) without escorts and enjoy freedom of mobility (Table 5.46).

## Behavioural Changes

Self help groups not only develop self confidence and provide financial support to the members, but also brings some changes in the behaviour pattern of the members because of their upliftment. The common changes which are observed by the researcher are handling money in a proper way, visiting to bank, having contact with other development agencies, better contacts with the society and other members. The most welcome behavioural change observed, is the members belonging to the SHGs have increase awareness in fighting against the domestic violence, drinking and gambling. These aspects are studied among the groups and the details before joining SHG and after are presented in Table 5.47

**Table 5.47**

### Behavioural changes of the groups before and after joining SHG

Parameters	Before				After			
	Yes	%	No	%	Yes	%	No	%
Do you feel like protesting the following								
a) Social evils like drinking and gambling	32	16	168	84.0	151	75.5	49	24.5
b) Husband beating wife	28	14	172	86.0	151	75.5	49	24.5
c) Domestic Violence	28	14	172	86.0	151	75.5	49	24.5
d) Social problems like suicide, child labour	17	8.5	183	91.5	151	75.5	49	24.5
e) Difference in wages between men and women	11	5.5	189	94.5	151	75.5	49	24.5
F) Adulteration, profiteering and black marketing	14	7.0	186	93.0	151	75.5	49	24.5

Source : Primary Data

Educated women in general are supporting their family financially and feel confident in protesting against the social evils. In rural and even in urban India, spouse

harassing wives are common. The situation is worse in rural area when compared with urban areas. Protesting against these social evils by rural women is uncommon.

Behavioural changes of the groups regarding protesting against social evils is also studied and the researcher observed that about 75 percent of the groups feel like protesting against social evils such as drinking, gambling, husband beating wife, suicides, child labour, adulteration, black marketing and difference in wages between men and women after joining SHG.

SHG paves way to improve the self confidence of the groups and that is the reason for the behavioural changes of the groups.

Hence the null hypothesis (Ho) is rejected and alternative hypothesis (Hi) that there is improvement in the communicative skill, self confidence and behaviour of SHG members after joining the group is accepted.

### **Relationship with Development Agencies**

There are many agencies functioning for SHGs and to help them in various aspects. Some are NABARD, TNCDW, DRDA, TADHCO etc. Awareness about these agencies among the studied SHGs before and after joining SHG is also studied, because they have to come in contact with these agencies for various purposes.



**Table 5.48**  
**Relationship with development agencies of groups**  
**before and after joining SHG**

	Before				After			
	Yes	%	No	%	Yes	%	No	%
1) Do you know different development agencies financing in your area.	33	16.5	167	83.5	181	90.5	19	9.5
2) Have you visited any of these offices?	17	8.5	183	91.5	179	89.5	21	10.5
3) Do you know the different schemes / facilities extended by these agencies for women	37	18.5	163	81.5	153	76.5	47	23.5

Source: Primary Data

The awareness about the various Government Departments for the development of rural population has increased among the groups after joining SHG. Ninety percent of the groups are aware of the various agencies which are functioning for the development of rural area and for poor people. One hundred and seventy nine groups have visited these agencies for some reason or other. Seventy Six percent of groups are aware about the various schemes that are provided for their upliftment. Hence, Ho ‘there is no improvement in relationship with development agencies due to joining SHG’ is rejected and Hi ‘there is improvement in relationship with development agencies due to joining SHG’ is accepted (Table 5.48).

## Improvement in economic status

Table No.5.49

### Improvement in economic status after joining SHG

Parameters	No. of Members
Renovated their houses.	713
Purchased Live stock	479
Constructed Toilets	509
Secured Consumer Durables like TV, Tape recorder, Mixie, Grinder, Fan etc.	431
Purchased Two wheeler for the family.	56
Invested more money in Husband's business.	321

Source: Primary Data.

The above table shows the improvement in the economic status of members after joining SHG. Seven hundred and thirteen members have renovated their Kuchha house into Pucca houses. There is also improvement in their earnings by purchasing live stocks. No need to add about their material earnings, construction of toilets by the members is a desirable improvement. Some of the members have also had a helping hand in their spouse business. Overall observation by the researcher is that there is vast improvement in the living standards of the members. Hence null Hypothesis (Ho) 'That there is no difference in economic status of self help group members before and after financial support by banks' is rejected and alternate hypothesis ' There is improvement in economic status of self help group members after financial support by banks is accepted'.

## Improvement in Self Esteem

**Table 5.50**

### Self esteem aspects of groups before and after joining SHGs

Parameters	Before				After			
	Yes	%	No	%	Yes	%	No	%
Leadership Qualities	42	21.0	158	79.0	183	91.5	17	8.5
Social Interaction	37	18.5	163	81.5	159	79.5	41	20.5
Better Understanding about life	21	10.5	179	89.5	146	73.0	54	27.0
Outside contacts	17	8.5	183	91.5	149	74.5	51	25.5
Improvement in skill	34	17.0	166	83.0	146	73.0	54	27.0
Changes in attitudes	24	12.0	176	88.0	151	75.5	49	24.5
Ability to undertake required activity	31	15.5	169	84.5	112	56.0	88	44.0
Ability to talk in public meeting	27	13.5	173	86.5	155	77.5	45	22.5
Status among friends and relatives	42	21.0	158	79.0	173	86.5	27	13.5
Better understanding about problems in society	24	12.0	176	88.0	151	75.5	49	24.5
Decision making skill	29	14.5	171	85.5	146	73.0	54	27.0

Source: Primary Data

As the leadership of the group has to rotate, the leadership qualities of the members have developed far better. As the groups have to interact with various agencies and other groups, the social interaction of the groups has developed. Nearly 80 percent of the groups are of the opinion that their social interaction has developed. They have understood the life better as they interact with many educated persons (NGOs, bank and development agencies). Outside contact of the group was very less before joining the group (8.5 percent). But after joining SHG their outside contact have developed.

Seventy four point five percent of the groups are in contact with various

development agencies. Seventy three percent of the groups expressed that their skill has developed and nearly three fourth of the studied groups accepts that their attitude has changed. Their communication skill has developed since they have to talk in their regular meeting and this is evident by improvement in their communication skill. Fifty six percent of the groups are capable of doing the required activity. Status among friends and relatives has improved since there is improvement in their standard of living, abilities, qualities and skill. Since there is more scope of interaction with outside world, they are now in a position to understand the problems in the society.

Apart, from savings and getting loan at low interest the groups are benefited in many ways. They have understood the life better, their skill has developed, their status has improved and their attitudes have changed (Table 5.50)

### **Difficulties faced by the group**

In general when women are grouped and some activity is done, there are some difficulties faced by the group in forming, mobilisation of savings and maintenance of books of accounts. The common problems which are faced by the group are analysed and tabulated in order to find how many groups have faced the problems. Details are provided in Table 5.51

**Table 5.51**

**Difficulties faced by the group**

<b>Difficulties</b>	<b>Yes</b>	<b>%</b>	<b>No</b>	<b>%</b>
a) Group Formation	22	11.0	178	89.0
b) Mobilization of saving	33	16.5	167	83.3
c) Identifying income generating activities	102	51.0	98	49.0
d) Maintaining books of account	12	6.0	188	94.0
e) Assistance from local bodies	51	25.5	149	74.5
f) Election of office bearers	34	17.0	166	83.0
g) Difficulty in getting bank loan	25	12.5	175	87.5

Source: Primary Data

SHG are formed by the women residing in the same area and of same status. Many groups do not find any problem in forming the group. Further NGO's also help them in forming groups. The groups also do not find any difficulty in mobilising their savings. Only 33 groups expressed difficulties they face. Some members below poverty line find it difficult to save.

One hundred and two groups find difficult to identify income generating activities. They spent more for non-income generating activities. Ninety four Percent of groups do not find any difficulty in maintaining books of accounts. Only six percent find it difficult and they are newly formed groups which have no experience (Table 5.51).

Seventy four point five percent of the groups expressed that they get necessary assistance from local bodies and find no difficulty in getting their help. The leadership has to rotate and every member who is elected as office bearer has to take the

responsibility of maintaining transactions with bank and other agencies. Therefore, election of office bearers is a major problem faced by the group. Some members may not come forward to accept responsibility. But 149 groups have expressed that they find no difficulty in this aspect and only 51 groups have said that they find it difficult as office bearer's post is on rotation basis.

Normally availing loan from Bank is a problem, which is faced by general public. Availing loan by a group of women and that too from rural area who are not well educated is more difficult. The same has been studied and 175 groups state that they find no difficulty in obtaining loan. NGO's help them in obtaining the same.

### **Problems faced by the Group**

**Table No.5.52**

**Problems faced by the groups.**

<b>Problems</b>	<b>Yes</b>	<b>%</b>	<b>No</b>	<b>%</b>
Unnecessary Political interference	-	-	200	100
Cheating tendencies among members	-	-	200	100
Marketing of their products	34	17	166	83
Quality Management	34	17	166	83
Difficulty in collection of Loan	12	6	188	94
Competition from similar groups	56	28	144	72

Source: Primary Data.

When the researcher analysed the problems faced by the groups she found the following aspects:-

There is no political interference and there is no cheating tendency amongst the members. Marketing of their products is a major problem of the groups, who

have undertaken common economic activity like chemicals works, manufacturing of candles, textile business, bakery items, pickles, printing of letter pads, manufacturing of sanitary napkins and masala powders.

Maintaining the quality of product is also a problem for them. They have to use quality raw materials to maintain the quality of the final products which increases the cost. Repayment of loan at proper time is not a problem faced by them. Only twelve groups have expressed that collection of loan lent to the members is a problem faced by them.

Same economic activity chosen by other groups in the same area or nearby areas creates problem in marketing of their products. Parallel activity of peer groups creates problem for them.

### **Suggestions given by the groups**

Marketing of their product is a major problem and the groups feel that the Government Departments may take some measures to help them in marketing of their products. Branded products for sanitary napkins, masala powder, pickles and chemical products like phenoyl and bleaching powder have captured the market.

NGO's can take care in selecting the activity of the groups. They can select different activity for the groups in the same areas which will avoid competition to some extent.

## Role of SHG

SHG help the groups not only in enabling them to avail credit at low interest, but it also helps them in various other aspects.

**Table 5.53**  
**Details of help received from SHG**

<b>Parameters</b>	<b>Yes</b>	<b>%</b>	<b>No</b>	<b>%</b>
Provided emotional support	93	46.5	107	53.5
Acted as advisor and motivator	93	46.5	107	53.5
Promoted institutional support and linkage	200	100	-	-
Provided training and information	72	36	128	64
Enables the group to acquire skill	174	87	26	13
Helped ensuring unity and cohesiveness	173	86.5	27	13.5
Helped in capacity building	83	41.5	117	58.5
Access to credit	200	100	-	-
Freedom to use credit	106	53	94	47
Credit at justifiable terms	200	100	-	-
Saving	200	100	-	-
Employment opportunity	82	41	118	59

Source: Primary Data

When the researcher analysed the help rendered from SHG to its members, the SHG has helped the groups to get credit at justifiable rate and it helped the members to



save and provided linkage with banks. All the studied groups (100 percent) accepted the above facts.

It has also developed the skill of the members and there is unity among the members. One hundred seventy four groups have accepted that their skill has developed and 173 groups accept that it helped to ensure cohesiveness.

All the groups are of the opinion that SHG provided them institutional support and linkage with various organisations which are connected with SHGs. Eighty two groups have accepted that SHG has provided employment opportunity. This is because only some groups have availed loan for economic activity. One hundred and six groups have stated that they are free to use credit.

Opinion of 72 groups is that the SHG has provided training and information to them (Table 5.53).