Chapter 2: Research Methodology
Chapter-2: Research Methodology

Statement of problem

In the post independence era, it has been a consistent endeavour of our State to formulate situation specific poverty alleviation policies and programmes for generation of a minimum level of income for poor. Planners and policy makers assumed that the State would provide the lead role in formulating and implementing these programmes. Credit infusion in the rural sector was considered to be the most significant initiative. As experiences accumulated about the constraints within and outside the Government, a new understanding began to emerge. Alternative development approaches were explored so that the credit reached the poor in such a way which was result oriented and sustainable. The fall in the availability of credit from the formal financial system, resulted in the growth of informal systems to fill the gap. The inability of the existing programmes to reach the poor led to the emergence of microfinance or micro-credit as an alternative poverty alleviation program for the poor. Microfinancing is understood in India as the ‘provision of thrift, credit and other financial services and products of very small amounts to the poor enabling them to raise their income levels and improve living standards’ (NABARD 2000; RBI 1999) Many Non Governmental Organisations in different areas of the country did work in this direction. Their experiences were illustrative of comprehensive programs enabling rural and urban poor particularly women to move out of poverty into sustainable development. Our planners at this stage were attracted by the experiments of SEWA, WWF and other organisations. Meanwhile there emerged Grameen experiment. The module introduced by Mohammad Yunus was a turning point in the history of microfinance. Grameen’s group lending module was replicated even in the developed countries. In lending credit to the poor the concept of
group formation was derived from Grameen Module. While studying these new experiments, the Government of India introduced different schemes from time to time for attending poverty. But the schemes such as IRDP, TRYSEM, DWCRA etc fractured the Indian society making them dependent on the subsidy and concession culture which has meant considerable ill for the Indian banking system. It led to a decline in portfolio quality and neglect of monetary saving facilities in the rural sector (ACRC, 1993). It was argued that such interventions have not only allowed leakage of benefits to undeserving households but also underestimated the ability of the poor to save or pay market rate of interest (Majumdar, 1997). However following the success of micro-financing through Bank linkage model of NABARD in particular, Government perceived the importance of SHGs and consequently embraced the group approach as one important mechanism to target and reach the poor. Starting with Rashtriya Mahila Kosh (RMK) and Indira Mahila Yojana the group concept got further consolidation in the Swarnajayanti Gram Swarozgar Yojana (SGSY) and Swarna Jayanti Shahri Rozgar Yojana (SJSRY). The implementation of microfinancing through self help groups (SHGs) provides a paradigm shift in the strategy for resolving the socio-economic deprivations of the poor both in rural and urban areas. The marginalized women are its thrust target. Women get a way out of gender discrimination and inequality as well as for exploiting their entrepreneurial talents. The non governmental organisations (NGOs) occupy a pivotal role. In micro-financing the focus of self help groups is to develop the capacity of the marginalized groups, particularly women, and to organise them, so that they can deal with socio-political and socio-economic issues that affect their lives. The self help groups are participatory in nature, based upon cooperative principles of joint endeavour for thrift and mobilisation of financial assistance. Majority of micro-financing in India is under the SHG Bank Linkage Model (SBL), which is considered as a landmark development in the
banking with the poor. The important SHG network in the country are Swarnjayanti Gram Swarozgar Yojana (SGSY) and Swarnjayanti Shahari Rozgar Yojana (SJSRY) under the ministry of Rural and Urban Development respectively. These schemes launched by the Government of India have been routing credit to SHGs through the DUDA/DRDAs with the involvement of banks and other interventions.

Against the above background, a modest attempt has been made to carry out a study in Aligarh titled “Microfinancing and Marginalized groups-A comparative analysis of beneficiaries of DUDA- DRDA Projects”. The marginalized groups for the purpose of this study refer to women. Hence the present study has been launched to achieve the following objectives.

**Objectives of the Study**

1. To understand the process of micro-financing in DUDA and DRDA projects.

2. To analyse the profile and functioning of sampled Self Help Groups (SHGs) and their members under DUDA and DRDA.

3. To make a comparative analysis of SHGs under DUDA and DRDA projects.

4. To explore the attitude and experiences of marginalized groups (women).

5. To measure the impact of DUDA and DRDA micro-financing on individual SHG women member’s self growth and development.

6. To measure the impact of DUDA and DRDA micro-financing on changes in individual SHG women member’s role and place in family affairs and decision-making.
7. To measure the Impact of DUDA and DRDA micro-financing on changes in individual SHG women member's interaction pattern in the community.

Hypothesis

Based upon the objectives of the study the researcher proposes to test the following hypothesis:

1. Micro-financing is functional through self help groups.

2. Micro-financing through self help groups (SHGs) has benefited marginalized groups (women).

3. Self help groups have been formed in urban as well as rural areas.

4. SHGs given credit at regular intervals of time, strictly followed by timely interventions tend to be successful groups.

5. SHG women who utilise credit for income generating activities are more empowered as compared to those who utilise credit for consumption and non productive purposes.

Research Design

The Present study is exploratory cum diagnostic, based upon primary, secondary and tertiary sources. Exploratory in the sense that the researcher is trying to explore the role of micro-financing, its functioning through self help groups and the benefits that are likely to accrue to marginalized groups. In the study marginalized groups refer to poor women. It is diagnostic in the sense that the researcher is analysing all the problems which she has identified in her area of study. Based upon her field experiences and
observations from different sources the researcher will find the reasons behind such problems and will consequently suggest the remedial measures thereof. Research design stands for advance planning of the methods to be adopted for collecting the relevant data and the techniques to be used in their analysis, keeping in view the objectives of the research (Kothari, 2004).

**Universe**

The universe of the study is Aligarh district of Uttar Pradesh. The present study is conducted in the tehsil Koil of the Aligarh district. The district has a population of 2.99 million (2001 Census). It is one of the seventy districts of UP and is located at 27.30 N latitude and 79.40 E longitude on the western part of UP (see Map 1). It is at a distance of 180 km from New Delhi (India’s capital city). The national highway (NH-83) connects Aligarh to Delhi. Topographically the district represents a shallow trough, saucepan shape like appearance with the river Ganga in the northeast and the river Yamuna in the northwest forming the highland peripheries.

The district is named after its headquarter town Aligarh which was called Kol or Koil till 18th century. “According to the Copper Plate Grant, dated 1144 A.D, Kaila (Koil) was the name of a village (grama). Later on under the Sultans of Delhi, it gained the status of the headquarter of a shiqq (District) and still later, under the Mughals that of a sarkar within the suba or province of Agra. The origin of the name of Koil is obscure. According to the local tradition the name was given to the place by Balram who slew here the great asura (Demon), Kola, and with the assistance of Ahirs, subdued this part of the Doab. Mohammadgarh, Sabitgarh, Ramgarh, and Aligarh have been the different names successively assigned to Koil at different times. The last three names were
actually given to the Fort built about three miles to the north of the city. The name Aligarh was conferred on it by Najaf Khan during the last quarter of the 18th century. The district is quite rich in cultural deposits of Painted Grey Ware and its associated wares. Archaeological findings demonstrate that the region was extensively inhabited from the early historical period onwards. The English after their occupation in 1803, extended the name Aligarh town which is known the world over for great seat of learning i.e. Aligarh Muslim University, having its origin in Anglo Mohammedan Oriental College, founded by great Indian social reformer and educationist Sir Syed Ahmad Khan (Jamal M. Siddiqui 1975:1).

**Administrative division of the district**

Aligarh had undergone various administrative changes since its inception in 1804. At present the district is divided into five Tehsils namely, Koil, Khair, Gabhana, Atrauli and Iglas for the purpose of land record keeping, land revenue collection, judicial administration etc. The district is organized into 12 development blocks (see Map 2 Aligarh). Development block is the grass root level state agency for the formulation of various programmes of the development and for the implementation of various developmental schemes of central and state.

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Name of Tehsil</th>
<th>Name of Block</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Koil</td>
<td>Lodha, Akrabad and Dhanipur</td>
</tr>
<tr>
<td>2.</td>
<td>Khair</td>
<td>Khair and Tappal</td>
</tr>
<tr>
<td>3.</td>
<td>Gabhana</td>
<td>Chandaus, Jawan</td>
</tr>
<tr>
<td>4.</td>
<td>Atrauli</td>
<td>Atrauli, Bijoli and Gangiri</td>
</tr>
<tr>
<td>5.</td>
<td>Iglas</td>
<td>Iglas and Gonda</td>
</tr>
</tbody>
</table>

Three-tier system of local self governance is introduced in post Indepandance India on the recommendation of Balwant Rai Mehta committee in 1959 for the purpose of
decentralizing democracy and promoting political participation of people. Panchayati Raj System has been given more powers by the constitution's 73rd and 74th amendment. In every district of Uttar Pradesh this system exists. Thus district Aligarh has the position of Zilla Panchayat Adayaksha at district level, Block Pramukh at block level and Gram Pradhan at village level. At present Aligarh district has 853 Gram Panchayat. In urban areas of the district Aligarh City has the status of Municipal Corporation. There are two municipalities in the district namely Khair and Atrauli and nine town areas or Nagar Panchayat in the district. As per Census of India 2001, district Aligarh has a total population of 2,992,286. Out of which rural population is 2,127,592 and urban population is 864694. The sex ratio of the district is 862 females per thousand males. Tehsil-wise distribution of population of the district is given below: Atrauli: 628087; Gabhana: 78116; Iglas: 339299; Khair: 372970; and Koil: 1373814. Thus Tehsil Koil is the largest in terms of population. District Aligarh has 58% literacy rate. This literacy level of the district is one percentage more than the average literacy level of Uttar Pradesh i.e. 57%. There is a gap of 7 percentage point between the literacy level of rural and urban areas. Rural areas of the district have literacy level of 56% whereas the literacy level of urban areas is 63%. Gender gap in literacy level of the district is quite significant 71% males and only 43% females are literate. Thus there exist 28-percentage point gender gap in the level of literacy. This gap further increased to 34% in rural areas where only 38% female are literate. This gap has narrowed down to 16-percentage point in urban areas where 70% males and 54% females are literate. Among all religious communities of the district, Muslims have lowest level of literacy level i.e. 45%.

District Aligarh is well known for manufacturing the different types of locks use in building doors, automobiles, V.I.P. suitcases, wooden and steel furniture etc. due to
which Aligarh possess an important position in the industrial map of India and Aligarh is known as “Tala Nagiri”. Locks and hardware industries are the main industries of Aligarh. Recently manufacturing of Glass beads has emerged as an important craft in the district. Manufacturing units of lock, hardware, brassware and glass beads are mostly located in urban areas especially in the city Aligarh. Despite the existence of these small scale industries/home based industries, only 7 per cent workers of the district, as per Census of India 2001, are household industrial workers. Large numbers of workers are agricultural workers (20%) and cultivators (32%). This shows that agriculture is the most important sector of economy, providing employment in the district. The category of other workers is deceptive as it includes white-collar occupations on the one hand and blue-collar workers like rickshaw pullers and construction site workers, daily wage earners on the other hand. Therefore the percentage of Other Workers (41%) has increased in the district because large numbers of people are daily wage earners in unorganized sector of economy.

Area of Study

The researcher has selected Tehsil Koil, the largest tehsil of district Aligarh, for her study titled “Microfinancing and Marginalized groups-A comparative analysis of beneficiaries of DUDA- DRDA Projects, Aligarh, U.P”. The marginalized groups for the purpose of this study refer to women. Tehsil Koil as per 2001 census has a population of 1,373,814. It comprises of 3 blocks having a population of 649,439 and 6 urban segments having a population of 724,375. The three blocks are Lodha, Dhanipur and Akrabad having 222 gram panchayats. The urban segments are Aligarh city, Jalali, Harduagang, Kauriagang, Pikhana and Vijaigarh having 113 number of wards. Amongst the urban segments, Aligarh city (Muncipal Corporation) has the highest population i.e
The sex ratio of Tehsil Koil is 869 females per thousand males. The ratio is 861 females per thousand males in the rural area and 876 females per thousand males in the urban area. The literacy rate of the Tehsil Koil is 60.9%. The rate is 71.4% among males and 48.8% in females. Here the gender gap in terms of literacy is 22.6%. The literacy rate of rural area of Tehsil Koil is 58.6%. The rate is 73.1% among males and 41.6% in females. Here the gender gap in terms of literacy is 31.6%. The literacy rate in the urban area of Tehsil Koil is 62.9%. The rate is 69.9% among males and 54.9% in females. Here the gender gap in terms of literacy is 15%. For the purpose of study the researcher has selected three blocks of the rural area and the urban segment of Aligarh city of Tehsil Koil. The urban segment Aligarh city is the biggest urban segment of Tehsil Koil. Out of three blocks twelve such villages have been selected which have a concentration of women self help groups. From out 60 wards of Aligarh city nine wards have been selected because of high concentration of women self help groups. In the rural area the developmental activities are administered by the District Rural Development Agency (DRDA) and in the urban area the developmental activities are carried out by the District Urban Development Agency (DUDA). The locale of study will be DUDA and DRDA under which urban and rural self help groups are functioning.

**Sampling and sample size**

In social research, sampling is the most crucial stage. It comprises of two major principles: First the desire to avoid bias and second to achieve the maximum precision within the limited possible resource. Because of the limitations of time and costs every social researcher has to pass through the sampling procedure. The locale of study has been DUDA and DRDA, under which urban and rural self help groups are functioning. The researcher in the field observed that the number of women self help groups
(WSHGs) and other allied information was not available with the DUDA authorities, while as, some information though scanty and scattered was available with the DRDA authorities. This situation created a problem in sampling. In order to overcome this limitation the Snowball sampling was used to arrive at the desired sample. The method is also known as network, chain referral or reputational sampling. The analogy is of a snowball growing in size as it is rolled in the snow. In this sampling once contact is made with one member of the network that person can be asked to identify other members and their relationships. In this way a sociogram can be built of and the members of the network interviewed (Blaikie, N. 2000). The researcher sought the help from key informants that is the DUDA/DRDA authorities, CDSs/NGOs, Block and ward officers etc in identifying the women groups. Once the groups were identified, meetings were arranged with the women members. At this stage the approach of the researcher was to take all the members coming to the meetings and finally stop at the point when the number touched 150 women both in SHGs of DUDA and DRDA. Through this method the researcher finally covered 24 DUDA women self help groups (WSHGs) and 21 DRDA women self help groups (WSHGs) These groups covered 300 women SHG members i.e 150 members of DUDA SHGs and 150 members of DRDA SHGs. The researcher also prepared 15 case histories in order to authenticate the study.

The position of sample size is as under:

<table>
<thead>
<tr>
<th>S.No</th>
<th>Sample Size</th>
<th>DUDA</th>
<th>DRDA</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>No of SHGs</td>
<td>24</td>
<td>21</td>
<td>45</td>
</tr>
<tr>
<td>2.</td>
<td>No of members</td>
<td>150</td>
<td>150</td>
<td>300</td>
</tr>
</tbody>
</table>
Tools and Techniques of Data Collection and Analysis

The study is based on collection of data from primary, secondary and tertiary sources. Primary sources are based upon structured interview schedule. Secondary sources include the publications of Government of India, Plan documents, Census reports etc. Tertiary sources include text books, journals and reports. The data collection made on structured interview schedule was developed and pre-tested by a pilot test. The shortcomings noted during the pilot study were removed from the schedule. Two different interview schedules were used for the SHG and its members. The data thus collected from a sample of 45 groups (24 DUDA SHGs and 21 DRDA SHGs) and 300 members (150 DUDA SHG women and 150 DRDA SHG women) has been analysed and statistically tested by using both parametric and non parametric tests in order to arrive at a definite conclusion. Apart from quantitative analysis of the problem certain case studies have been prepared from the SHG members of DUDA and DRDA in order to support and authenticate the results drawn by quantitative analysis. The results and insights from case studies/field impressions, facts from key informants and informal discussions, have been used to overcome the limitation of limited statistical use.

Insight into the Field

Talking to women in their households was a wonderful experience for the researcher. Quantitative analysis seldom enables us to reach to the hearts of the people whom we intend to interview. Sharing experiences with women in abject poverty surrounded by a number of half clad children makes quantitative analysis sometimes less effective. Here it is to be seen how these women will repose trust in a stranger and reveal their experiences of life. In the given scene the researcher apart from quantitative analysis also
preferred to rely on in-depth open ended interviews which give insight into the women’s experiences, knowledge and understanding. That way these informal conversations also become an important source for evaluation. Researcher applied the principle of full disclosure about herself and the purpose of her study as it is unethical to build trust with half truths. Women were asked a series of questions about themselves, their family, their enterprises and their community. Researcher relied on the women’s experiences to see what insights of women can put into our knowledge of self help groups at the grassroots. The researcher built a rapport with the respondents and attended to their narratives patiently. The women soon shared their experiences and views. More emphasis was laid upon empathetic approach towards the respondents. This approach was made by the researcher in view of her social work background. The qualitative analysis applied in the field helped the researcher in developing the case histories/field impressions, and also gave her a large dimension of human affairs. Micheal Cernea (1991) has rightly called “putting people first”.

Problems during the Study

The researcher had expected that she will get an organized information from DUDA/DRDA under whom the self help groups are functioning. Practically it was a different situation. In DUDA the records which the researcher required were non-existant. Despite repeated requests the information was not made available. However in DRDA some records though scanty and scattered were available for examination. The researcher had to organize and compile them in a chronological order. Apart from this difficulty the records were in hindi text. The researcher had to develop such records in English text. In the field repeated visits were made to meet the members, groups, facilitators because they were not available always during my visits. However such
problems do occur in the course of research in the field. The researcher attended the entire exercise with patience and was finally able to get the information she required for her study.

Operational Terminology

Micro-Financing

Microfinancing is understood as the ‘provision of thrift, credit and other financial services and products of very small amounts to the poor enabling them to raise their income levels and improve living standards. The concept is understood as providing poor families with very small loans (micro-credit) to help them engage in productive activities or grow their tiny businesses (Mathew, 2008).

Marginalized groups:

Marginalized groups for the purpose of this study refer to women, who both in traditional and modern social structure, have always been the victims of the greatest exploitation. They face a double burden, not only as a result of being women but also by virtue of being poor. Their work remains primarily invisible permitting little social recognition (Wignaraja, 1990).

Self Help Groups:

Self help groups in the present study refer to the groups formed by poor women in rural and urban areas. A Self help group is a socially and economically homogeneous group of not more than 20 poor people who come voluntarily to achieve common goals based on the principles of self help and collective responsibility. They agree to save regularly
and covert their savings into a common fund. The members of the group agree to use this common fund and such other funds that they may receive as a group through a common management. Self help groups are being promoted as a part of the microfinance interventions aimed at helping the poor to obtain easy credit.

Empowerment:

Empowerment in the present study means the influence which self help group women obtain after they earn their own income. This influence is further seen in the context of their individual growth and development, their participation in the decision making at family level, and their increased interactions with other members of her group/community. Micro-finance programmes for women have been promoted over the years not only as a strategy for poverty alleviation but also for women’s empowerment (Mayoux, L.1998).

Profiles of the Respondents:

The data have been collected from a sample of 45 women Self Help Groups (24 DUDA SHGs and 21 DRDA SHGs) and 300 members (150 DUDA SHG members and 150 DRDA SHG members). Out of 300 respondents, both in respect of DUDA and DRDA SHGs there was a predominant participation (78.67%) of young women members between the age group of 26 to 35 and 36 to 45. In an overall analysis, the women were comparatively young. The number of women below the age group of 25 years and beyond 56 years was very low (Table 3.31 ). The data further reveal that out of 150 DUDA group members, 50 (33.33%) were Hindus and 100 (66.67%) were Muslims and in case of 150 DRDA members 100 (66.67%) were Hindus and 50 (33.33%) were Muslims (Table 3.32).

Out of 300 respondents 289 (96.33%) were married, 6 (2%) were widows and rest 5
(1.67%) were divorced. The majority of the respondents were married women because of the fact that at the time of group formation care is taken to enroll married women in SHGs as they are expected to settle permanently in their respective localities. The lifestyle of the respondents varied from caste to caste and also within the caste, determined by traditional occupation, work participation and social interaction patterns. In case of 150 DUDA SHG members 20 percent related to General category, 33.33 percent relate to SC category and 46.67 percent to OBC category. While as in case of 150 DRDA SHG members 6.67 percent belonged to General category, 66.67 percent to SC category and 26.66 percent to OBC category (Table 3.33). The profile reveal that most of the SHG members 68.33 percent both in respect of DUDA and DRDA were illiterate. However it has been noticed that the rate of literacy is encouraging in DUDA members as compared to their rural counterparts (Table 3.34). In the Urban scene (DUDA SHGs) the bread earners of the families happen to be generally dhaba workers, chowkidars, rickshaw pulls, sweepers etc. In Rural scene (DRDA SHGs) families had mostly no land holdings of their own. The men folk mostly worked as agricultural labourers, weavers, construction workers, vendors etc.

The families to which the respondents belonged both in urban (DUDA) and rural (DRDA) areas were living below the poverty line. Because of the large size of their families most of the women both in urban and rural areas were living in abject poverty before joining the SHGs. Due to their socio economic conditions the women were marginalized groups in their communities. The poor women have now started small income generating units. This shift has started empowering them.
REFERENCES


