

FUNCTIONING OF WOMEN SELF-HELP GROUPS IN ORISSA

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EXECUTIVE SUMMARY

When a group of poor or disadvantaged people come together on their own (voluntarily) with the clear objectives of bringing about a positive change in the situation in which they find themselves in through Self-Help and self reliance, such a group is called Self-Help Group (SHG) and alternatively described as Saving and Credit Group (SCG).

With the success of Gramin Banks in Bangladesh due to the concept of micro finance, many countries across the world including India have introduced SHG concept in a large scale, as an alternative non-institutional way of credit intervention for the socio-economic upliftment of the backward, poor, and vulnerable communities. Though SHG can be started voluntarily by a few members in the unorganized sector, still the Govt., NGO, or charity organisation initially promotes enthusiasm and encouragement for the better start of SHGs. The institutions concerned with SHGs in this way are called Self-Help Promoting Institutions.

In Orissa, during 1990s a large number of SHGs have been promoted by different agencies including Govt., NGOs different banks, charity organisation and voluntary organisation. In order to assess the impact of SHGs on the existing socio-economic set up and to provide an exhaustive analysis of SHGs in Orissa, the present study has been undertaken by TOWORD as per the directions made by the Dept. of women and child Development, Ministry of HRD, Govt. of India.

OBJECTIVES

The analysis of the study has been performed keeping in view the following objectives.

- (i) To trace the historical, social and cultural factors related to the development of Self-Help Groups in Orissa.

- (ii) To study the organisational structure and pattern of women Self-Help Groups in Orissa.
- (iii) To examine the role of voluntary organisation / Government agencies in the formation of the Self-Help Groups.
- (iv) To determine the membership profile of the Self-Help Groups.
- (v) To assess the activities and functioning of groups in terms of their operational activities, starting problems and further scope.
- (vi) To ascertain the impact of SHGs on the socio-economy of its members.
- (vii) To find out the kind of linkages established by the SHGs with banks/financial institutions.
- (viii) To examine the role of SHGs in encouraging thrift and credit among the poor women in rural area.
- (ix) To suggest steps, measures and changes in SHGs for sustaining and strengthening towards greater future viability and positive impact on micro credit availability to the rural poor.

STUDY METHODOLOGY

The present study has been carried out by analysing the suitable data obtained from 150 women SHGs working in the 6 districts as Ganjam, Gajapati, Kandhamal, Rayagada, Kalahandi, and Keonjhor. These different SHGs are promoted by the SHPIs like Govt., banks and voluntary organisation, Further, to ascertain the socio-economic impact of SHGs on its members, 300 members (2 from each SHG) have been interviewed with the aid of survey technique.

FINDINGS

Analysing the primary data obtained form 150 women SHGs and 300 members, the findings of the study are outlined below.

1. Majorities of the SHGs are promoted by different local NGOs and their share stands at about 45 percent. Besides NGOs, the percentage share of women SHGs formed under *DWACRA* scheme (16.66%), *Indira Mahila*

Yojana (10.0%), *Commercial Banks* (5.33%), *Regional Rural Bank*, (10.0%), *District Administration* (16.66%), *Nehru Yuba Kendra* (10.0% and *SGSY* (1.33%).

2. An analysis about the group size shows that majority of the SHGs about 41 percent of the SHGs are having with the members ranging from 10-15. Less than 10 members are noticed in about 35 percent of SHGs. 15-25 members are reported in 18 percent of SHGs and above 75 members are reported in 15 percent of the SHGs.
3. It has been observed that the members, in addition to the usual SHG activities are also related with other occupations for strengthening their economic base. About 48 percent of the SHG members are related with double occupations 40 percent of the members are reported with single occupations and about 13 percent of SHGs report that their members are having with more than two occupations.
4. A due analysis of the present status of the group shows that only about 23 percent of all the women led SHGs are well functioning, about 24 percent of these are average, about 32 percent of these are idle groups and 22 percent are nonfunctioning groups.
5. The awareness of the members about SHG activities has been explained and it has been observed that 42 percent of the members are fully aware of SHG programme, 50 percent of them are partly aware and 9 percent of them are non-aware of SHG activities.
6. An explanation as regards to the frequency of holding meetings shows that the percentage of SHGs undertake monthly meetings (31%), quarterly meeting (18%), and weekly (5.33%). Besides, about 23 percent of the SHGs undertake meetings rarely, about 18 percent hold meetings very frequently, 5 percent of them hold meetings whenever required and 8 percent of them never undertake meetings.

7. With regard to the attendance of group members at the meeting points out that 50 percent attendance is reported among maximum number of members, less than 50 percent attendance is reported among 20 percent of the members, 75 percent attendance is reported among 14 percent of the members. Full attendance is reported among 11 percent of the SHGs studied and just quorum is observed in the case of 16 percent of the respondent SHGs.
8. The different matters which are discussed in the group meeting include functioning of the group in general (10.66%), working of the scheme (4.0%), repayment of loan (7.33%), skill upgradation (10.00%), procurement of raw materials (22.0%), marketing of the produce (17.33%), savings (0.66%), future programmes (7.33%), strengthening of the group (4.66%), general discussions (8.00%).
9. An analysis of the type of records maintained by different SHGs shows that passbooks / joint passbooks are maintained by all the SHGs, 94% of the SHGs maintain savings register and about 69 percent of SHGs maintain cash book as well as attendance-cum-minute book. Membership register is maintained by about 34 percent of SHGs. However, minimum number of SHGs about 9 percent of them maintain visiting books and only 8 percent of them maintain loan ledger.
10. In a majority of SHGs, any member of the SHG furnishes the task of record keeping. Persons from the facilitating agency maintain records in 27% of SHGs. Treasurers are responsible to maintain records in 18 percent of SHGs. In about 10 percent of the SHGs group organiser maintains the records. Further hired personnel are used for maintaining the records in about 11 percent of SHGs.
11. A discussion about the selection procedure of group leaders points out that about 34 percent of the SHGs select their group leader democratically. In

about 19 percent of the SHGs, village leaders nominate group leaders and in about 48 percent of SHGs, group leaders are nominated by SHG promoting agency.

12. An analysis about the level of participation of the group members in-group activities points out that about 58 percent of the members do have partly participation in the group meetings. Fully participation is reported in 26 percent of the SHGs and non-participation is reported in 18 percent of the SHGs.
13. As regards to the procedure of framing policy is concerned, it is found that in maximum number of SHGs (about 35 percent), policies are adopted with the imposition of group leader. Imposition of policy by the sponsoring authority is reported in about 21 percent of SHGs. However, 20 percent of SHGs adopt policies quite democratically with the participation of all members and in about 15 percent of SHGs, policies are adopted with the consent of some influential members. Non-involvement of all the members in the matters relating to policy adoption is noticed in about 7 percent of SHGs. Imposition of policy by the govt. is noticed in 2 percent of SHGs.
14. It is found that 48 percent of the SHGs don't have proper co-ordination and they do it very much rarely, 30 percent of them do it at regular intervals and 22 percent of them do it periodically.
15. Majority of SHGs about 55 percent collect savings from the group members at monthly intervals and only 2 percent of them collect savings on the basis of daily interval. However, the number of SHGs undertaking savings at weekly intervals (3.33%), quarterly intervals (4.0%), half yearly (2.66%), and yearly (3.33%). Again 8 percent of the SHGs mobilise savings as and when possible. About 15 percent of them never mobilise savings.

16. So far as the prescribed minimum amount of saving is concerned, it is observed that in majority of SHGs about 39 percent, less than Rs. 10/- per member is fixed, 36 percent of the SHGs fix the minimum amount of savings at Rs. 11/- to Rs. 25/-, 5.33% of them fix it at Rs. 26/- to Rs. 50/-, 6.66% of them fix it at Rs. 51/- to Rs 100/- and 12 percent of them fix it at above Rs. 100/-.
17. Higher amount of bank loans have been received by a minimum proportion of SHGs and lower amount of bank loans up to Rs. 5000/- have been obtained by a significantly higher number of SHGs.
18. The average monthly income of the members varies between Rs. 200/- to Rs 1000/-. However, significantly lower numbers of the members are found with an average income above Rs. 1000/-.
19. It is found that the smooth functioning of the group immensely influences the sustainability of the group. Besides, the factors like self-confidence of the members, dependence on group resources, discipline among the members, faith in-group leadership and active co-operation of group members also contribute the sustainability of the group.
20. Majorities of SHGs undertake different welfare activities like spread of education, provision of health and hygiene, environmental promotion, health camps, awareness campaigning, eradication of social atrocity and abolition of liquor habits.
21. The socio-economic status of the members undergoes some dramatic changes due to their association with SHG. The different dimensions of socio-economic changes include development of traditional skill, acquiring new skill, increase in the man-days employment, additional income, improvement in the standard of living, better status of women in the family.

22. The various reasons for the formation of SHG include social factors, economic factors, upgradation of traditional occupation, debt burden, unemployment, leisure utilisation etc.
23. Group entry fee with varying amounts is found in all the SHGs.
24. So far as the functioning of different SHGs is concerned, majority of the SHGs are found satisfactory and minimum proportion of SHGs are found with unsatisfactory.
25. The different sources towards the compulsory savings comprise of family income, own income, husband's income, other income in the knowledge of the husband etc.
26. About 45 percent of the SHG members studied are found with not availing any loan from their respective SHGs.
27. The loan amount availed by the members varies less than Rs. 1000/- to Rs 4000/-.
28. The time gap between the application of loan and sanction of loan varies between 4 days to 60 days.
29. The time gap between sanction of loans and disbursement of loans varies between 5 days to 60 days.
30. About 19 percent of the members make regular repayments and 46 percent of the members make irregular repayments. However, no repayment found with respect to 14 percent of SHGs.
31. The different purposes for which SHG members take loan include undertaking business, household consumption purpose, education children, health expenditure etc.
32. It is found that except agriculture labour, in all other activities like farming non-ag. Labour, animal husbandry, collection of MFP, household industry petty trade / business etc, there has been some positive change in income.

33. Increased incomes of the members are sometimes utilised for the purchase of some household durable assets like land, ag. Implements, bicycle house, gold, ornaments, radio/watches etc.
34. The change in the social aspects of the members is reflected in the changes in the activities like food habit, clothing, housing, education of children, health consciousness.
35. The other changes among the members due to SHG is reflected in the changes in the traditional culture, increased observation of community functions, improvement in the quality of leadership, improved self confidence, generating income independently and skill upgradation.
36. The major problems of the SHGs include lack of co-ordination among group members, passive role of the facilitator, insufficient credit, gradual loss of interest, lack of education, inadequate mobilisation of savings etc.

SUGGESTIONS

In order to provide better efficiency to SHGs and better prospects to members through SHG means, following suggestions have been recommended.

1. ***Need for Borrower Education and Motivation***

The borrowers, more accurately the members of the group who have taken loans they should be adequately educated and motivated for the better utilisation of loan fully. While utilising the loan funds, they should be extra conscious in connection with the purpose of receiving the loan amount and the motto of SHG programme.

2. ***Regularity in Meeting, Attendance and Participation***

Regularity in meeting, attendance and participation happen to be the positive indicators for the better viability and strength of the group. Every member should be encouraged for regularly attending the meetings. Attendance in the meeting should adequately be taken care of. Besides,

members should be encouraged to effectively participate in the decision making process of the group.

3. *Due importance to training*

Training promotes efficiency among the group members. Thus, the facilitators should provide training to the SHG members as regards to the better utilisation of funds, identification about the feasibility of a business, account maintaining procedure etc.

4. *Improvement in literacy standards*

It has been found that majority of the members in the group are illiterates. Many-a-times illiteracy stands on the way of SHG progress. Due to illiteracy, the members are unable to maintain and verify records, recognise the importance of SHG and feel doubted about the efficiency of SHG for the socio-economic betterment. Thus, the members should be provided with some type of non-formal education for raising their literacy standard.

5. *More attention to raise the income of the members*

The SHPIs along with the functionaries of the respective SHGs should provide adequate attention about all possible behaviour of any members. They should ensure proper utilisation of funds by the borrowers, right decision for business, product and marketing. If all these things happen to be positive, then there can be improvement in the level of earning of the individual member.

6. *Continuity in Savings*

It has been observed that few members discontinue their compulsory savings after few months or so. Actually this hampers the progress of SHG. Thus, in each possible way, the members should be encouraged to continue their savings and to remain in the group.

7. *Effective leadership*

Effective leadership is highly an essential component for the viability and sustainability of the group. Thus, a litigation free, literate and influential member of the group with high degree of motivational ability should be selected as the group leader. While selecting the group leader, the SHPI with consent of the members should do it very much carefully.

8. *Proper co-ordination*

Actually different SHPIs promote SHGs in a given area as per their own fashion. Thus, duplication of efforts is not uncommon. In order to avoid it there should be coordinating agency at the district level at least, whose primary task would be to allow one SHPI at a given geographical boundary.

9. *Health Care & Sanitation*

As the primary objective for the formation of SHG is not only economic upliftment, but also, social progress, thus, the members of the SHG should be provided with due knowledge as regards to health care and sanitation.

10. *Development of infrastructure*

To subscribe a big boost to SHG activities, efforts should be made by the government for strengthening rural infrastructure. Rural infrastructure mainly refers to the development of roads in addition to telecommunication and transport facility.

11. *Capacity Building of Women SHGs*

Leaders from the respective SHGs should be trained on management of groups, leadership, record keeping and other issues through group discussion and PRA learning techniques. To enhance the knowledge and capability of the group leaders from time to time refresher training should be conducted on the aspects like group and fund management, fixation of change of norms, role of the leader and record maintenance.

12. The economic viability of the group should be properly estimated by the facilitating agency.

13. For the healthy growth of the SHG, there should be careful and continuous monitoring as to the aspects like maintenance of documents, the decision in the group, the decision making process and the implementation of decision etc.

Chapter - 1

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INTRODUCTION

1.1 BACKGROUND

Since Independence the Government of India has been receiving much attention among the people working for the welfare and other concerned agencies engaged in developmental programmes. The focus is mainly on how to involve the people in developmental activities, empowerment, organization, mobilization and participation of the disadvantaged groups for utilization of the available resources and unemployment. The issues related to the organization of Self-Help Groups (SHGs) have gained much importance during the last two decades.

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Following the success of the SHGs in India, especially after 1980, the Government has been promoting and credit activities among the disadvantaged sections of society. The main objectives address for the needy and poor people who need small scale loans for consumption, production etc. Further, the Government has been delivery institutions like Banks, Co-operatives etc. to be able to provide repayments in time due to their rigid institutional structure. It has been a growing opinion that the bank has been unable to meet the needs of disadvantaged groups. Hence, the Government has been promoting credit system to cater for urgent credit requirements of disadvantaged groups.

1.2 SELF-HELP GROUP

When a group of poor or disadvantaged people (over 10 persons) join together voluntarily with the clear objective of helping each other to improve the standard to which they find themselves are joined, self-help group is called. Such a group is called Self-Help Group (SHG). A savings and credit group is a specialized form of SHG, where the group members agree to form themselves into a group and function in an organized manner with the main

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INTRODUCTION

I.1 BACKGROUND

Since Independence the notion of participation and development has been receiving much attention among the policy makers, administrators, academicians and other concerned agencies engaged in development programmes. The focus is mainly on how to imbibe the spirit of self-governance, self-reliance, empowerment, conscientisation, mobilization and organization of the disadvantaged groups for elimination of poverty social inequality and unemployment. The issues related with the formation of Self-Help Groups (SHGs) have gained much momentum, particularly in last two decades.

Following the success of Gramin Banks in Bangladesh, many NGOs in India, especially after 1980s have started Self-Help Groups (SHGs) in saving and credit activities among the disadvantaged sections of society. The basic objectives address for the needy and poor people who seek small but urgent loans for consumption, production etc. Further, in their day-to-day life, credit delivery institutions like Banks, Co-operatives etc. fail to fulfil their credit requirements in time due to their rigid institutional practices. Therefore, there has been a growing opinion that the banking system is not geared to cater to the needs of disadvantaged groups. Hence SHG is designed to act as an alternative credit system to cater for urgent credit requirements of common people.

I.2 SELF-HELP GROUP

When a group of poor or disadvantaged people come together on their own (voluntarily) with the clear objectives of bringing about a positive change in the situation in which they find themselves in, through self-help and self-reliance, such a group is called **Self-Help Group (SHG)**. A saving and credit group is a specialized form of SHG, where the group members agree to form themselves into a group and function in an organized manner with the specific

objective of pooling their savings so as to be able to give credit to its members for meeting their consumption and production needs. The main objectives of the group are to improve the economic and social status of the members in terms of their needs and interests. While the group activities are multipurpose, they quite often have a special focus on thrift and credit management. Although unregistered, they function within the framework of an informal set of bylaws framed by the members themselves. These groups are distinct from the existing co-operatives where heterogeneity is a common and sometimes a divisive factor. These SHGs usually have 10 members. It is a unique institution where the members apply their common wisdom and resolve their problems and meet their needs through appropriate participatory decision making

1.3 BASIC FEATURES OF SHGs

- *Informal Organisation*

SHG is an informal organization of homogeneous groups of people particularly women consisting of members 10-20.

- *Unregistered Organisation*

SHG remains unregistered on the ground that once it becomes registered immediately it will lose its informal characteristic.

- *Bye-law*

The bye-law happens to be positive code of conduct for intra-group discipline.

- *Mutual Help and Self Help*

The group members are committed for each other. Self-help and mutual help based on group solidarity and co-operation is the maxim of Self-Help Group.

- *Regular and Compulsory Service*

The savings made by individual members are compulsory in fixed interval of time as decided in the group. But the amount of savings is always nominal because it is poor women's club.

- ***Decision is always participatory***

The decisions on different aspects taken in the group are never individual decisions rather consents of every member is always respected. In this process individual member would become confident and feel the fruits of liberty.

- ***Democratic Principle***

“SHG is for the members by the members and of the members”. This democratic principle guides the group.

- ***Maintenance of Register***

The group maintains different type of registers. If all members are illiterates, they take assistance of an outsider. Otherwise they themselves maintain all the registers.

- ***Common pass book***

The SHG maintains a common passbook in the nearby commercial bank. Generally two members nominated by the group members name this accounts and make with draws as per the consent of all members.

1.4 MANAGEMENT OF SHGs

SHGs are self-managed. However, to make the SHG thorough and efficient, many-a-times an outside agency called Self-Help Promoting Institution (SPHI) may be a bank or NGO or local Youth club or any charity club, Anganawadi Centre (AWC), panchayat authorities or any other person necessarily acting as facilitator provides required guidelines towards a better-start. Besides a president, a secretary and a cashier is selected by the members from among the members. They constitute the chief functionaries of the group.

1.5 PRINCIPLES FOR THE MANAGEMENT OF SHG

- ◆ **Code of Conduct**

Admission Related

- ◆ One adult member from one family
- ◆ Admission fee as fixed by SHG.
- ◆ Fees are not refundable.

- ◆ Membership will not include from the families those involve in party politics, antisocial defaulters.

Meeting Related

- ◆ Weekly meeting to be conducted
- ◆ Time and place should be fixed
- ◆ All the members should attend the meeting
- ◆ Circular on sitting arrangements
- ◆ Selection of chairperson
- ◆ Welcome address
- ◆ Treasurer to take attendance
- ◆ Reading and confirmation of previous meeting.
- ◆ Discussion as per Agenda
- ◆ Reading of proceedings of last meeting and confirmation
- ◆ Discussion on absentees
- ◆ Resource mobilisation
- ◆ Loan recoveries
- ◆ Loan sanction/disbursals/utilisation
- ◆ Development programmes
- ◆ Developmental issues
- ◆ Training programmes
- ◆ Any other issues of importance

Participation Related

- ◆ Equal opportunity to all.
- ◆ Motivation to attend training/seminar and workshop
- ◆ Involvement in savings/community activities.

Duties and Responsibilities

- ◆ Should protect unity and co-operation.
- ◆ Should give opportunity to all.

- ◆ Should mobilise, use and manage the resources properly/judiciously.
- ◆ Should work against defaulters
- ◆ Should take leadership responsibility
- ◆ Should take responsibility of planning, implementation, monitoring and evaluation [PMIE].

Executive Committee

- ◆ representatives as Executive committee members as
- ◆ Their membership shall be six months or one year
- ◆ They shall be operating group's bank account.
- ◆ They ensure the remittance of cash balance.
- ◆ They ensure proper maintenance of books of accounts and records.
- ◆ They ensure Planning Monitoring Implementation and Evaluation [PMIE].
- ◆ They ensure establishment of relationship and co-ordination of other institutions.
- ◆ They exclude agreement with other agencies on behalf of SHGs.

Savings Related

- ◆ Regular and compulsory basis for all members – (Weekly, fortnightly/monthly basis).
- ◆ Passbook to be given to each member.
- ◆ Policy for the withdrawal of deposits.
- ◆ Using the pooled funds for lending.
- ◆ Keeping the surplus funds in bank account.
- ◆ Policy for the members to adjust deposits towards loan installment not to be encouraged.
- ◆ Collection of savings shall be made by all on rational basis.
- ◆ Remittance of funds to bank account shall be made by all on rotation basis.

- ◆ Safe custody of funds (cash in hand) shall be kept by all on rotation basis.

Credit Management Related

- ◆ Using the pooled funds for lending when the group saves some amount say Rs. 500/- - Rs. 800/- and when regular meetings take place.
- ◆ Group to decide the procedures before lending.
- ◆ Loan to members only.
- ◆ Loan to needy members – Few members not to corner these loans. It is better that loans be given first to poorest members. Loan purposes to be screened by the group.
- ◆ Application for loan in simple format.
- ◆ Quick disbursal of loan and that too in the group meeting.
- ◆ No security.
- ◆ Interest as decided by the group with reference to the market rate.
- ◆ Finalise the repayment schedule in the group meetings.
- ◆ Watch on end use of loan and ensure utilisation of loan for the purpose.
- ◆ Repayment schedule to be enforced.
- ◆ Ensure revolution of funds at optimum level.
- ◆ Ensure equal opportunity to all members.
- ◆ Can avail loan from banks and others.

Leaving the Group

- ◆ A member can leave the group. But he has to clear outstanding loan.
- ◆ He can adjust his deposits towards loan and balance deposits can be taken.
- ◆ In the event of no loan outstanding he can take back his deposits.

- ◆ In case a member wishes to reenter the group, he should bring back all deposits he would have in normal course of his continuing in the group.

Exclusion

- ◆ Group members by unanimous decision, may expel any member of the group who violates the discipline or code of conduct consistently.
- ◆ In such case he/she shall have to clear all dues and all members shall work for realization of dues.

FUNDS MANAGEMENT

- ◆ Savings can be started from the first meeting
- ◆ Loan deposit size from the beginning
- ◆ Increase deposit size in a few months
- ◆ Passbooks to every member from the beginning
- ◆ Transactions to be recorded immediately in the meeting
- ◆ Regular savings in every meeting
- ◆ Bank account to be opened after few months
- ◆ Original records to be kept with the leader of the group/chosen person of the group, but not with the animator/NGOs representatives.
- ◆ Group money should not lie idle funds to revolve. Ratio of credit disbursement to deposit should be higher. More than 100%.
- ◆ Accounts to be opened in name of the group.
- ◆ No transaction out side the group
- ◆ Signatories to be rotated.
- ◆ Minimum cash in hand.
- ◆ Minimum balance in bank account
- ◆ NGO/Animator not to keep the funds of group

1.6 WOMEN SHGs

It is being increasingly realized that the goal of poverty eradication cannot be achieved without the full and active participation of the women in the process of development. Women led Self-Help Groups (SHGs) as a medium of micro finance is gaining wide acceptance in the efforts to alleviate poverty. In the whole process of forming the SHGs, mobilizing women for socio-economic change is encountering dramatic changes in recent years.

In the context of empowerment and given the vulnerability and helplessness of the individual women in the existing socio-economic setup 'SHG' strategies acquire greater relevance. Empowering women contributes to social development. Economic progress in any country whether developed or under developed could be better achieved through small development. Women constitute equal share with men in total population of our country. Therefore, women's empowerment can't be ignored while devising various policies for rural socio-economic development.

Providing micro credit to the rural women through an organized set up will make them empowered and enterprising. Varied experiences in the past few decades have suggested that the credit needs of poor women particularly those in the unorganized sector have not been addressed adequately by the formal financial institutions in the country. Though, there exists a vast network of financial institutions for rural credit, the outcome is not encouraging. Many rural poor feel reluctant to approach the banks or other financial agencies for the usual type of credit requirements. Further the benefits of the rural employment programme and rural development programmes are not reaching the ultimate beneficiaries.

In this backdrop, SHG is a viable alternative to achieve the objectives of rural development and to get community participation in all rural development programmes. It has been recognized that SHG is a viable organized set up to disburse micro-credit to the rural women for the purpose of making them

enterprising and encouraging them to enter into entrepreneurial activities. Further grouping would initiate a learning process through sharing of ideas, skills and interactive capacity and in course of time women would learn to articulate their needs resulting in more appropriate participatory way at the grass root level. Credit oriented rural women led SHGs have successfully demonstrated how to mobilize and manage thrift, appraise credit needs, maintain linkages with the banks and enforce financial self-discipline.

In this context, the Government of India is committed to enable poor women in rural and urban areas to have access to economic and social resources and there by empower women through a number of women targeted programmes such as DWACRA, NABARD'S linkage programme for women SHGs, RMK supported Self-Help Group etc. Now a day, a large number of institutions at the Govt. or non-Govt. level are involved in the task of promoting SHGs among women in rural India. NABARD, RMK, SIDBI etc. are among the forerunners in making SHG programmes a successful one.

1.7 WOMEN SHGs IN ORISSA

The State of Orissa is considered to be one of the poorest states in India and it has the highest proportion of rural people below poverty line. The National Sample Survey Organization estimates (1993-94) suggest that this figure is 49.72% for Orissa as against 37.27% of all India average. The actual figure of rural people below the poverty line has been estimated as high as 60% in some micro studies.

Further, females constitute 49.26% of the state population of 31.66 lakhs. The sex ratio standing at 972 is not in favour of female population. Again female population in the rural Orissa are more vulnerable on the ground of health, education and economic independence. Apart from that, rural women in comparison to urban population are less empowered politically, socially and economically. In this background, particularly in the last two decades a number of women Self-Help Groups have emerged due to the active intervention of

numerous Self-Help Promoting Institutions mainly NGOs. Now-a-days SHGs are being increasingly considered as a right forum to safeguard the many-sided problems around women.

In recent years, particularly after 1990s, the concept of SHG has gained much momentum in the poorer states including Orissa. SHG as a moneylender, development bank, co-operative or as a voluntary organization operating at the informal sector contributes immensely to women development as well as social development. It can be described as an effective delivery vehicle of social and economic development programmes targeted at the poor.

While discussing SHGs in Orissa, it is quite essential to describe Self-Help Promoting Institutions (SHPIs) operating in Orissa. These SHPIs are the catalysts in promoting due enthusiasm and encouragement among the SHGs to be emerged successfully.

1.8 FUNCTIONING OF DIFFERENT SELF HELP PROMOTING INSTITUTIONS IN ORISSA

SHPI may be Government, Semi Government Agency, corporation NGO, the branches of commercial Banks, RRBs & Co-operatives or any other charitable organisation. Some of the visible SHPIs working to the cause of the formation of SHGs are discussed as per the following. Different SHPIs and their operational area are discussed in table 2.1.

TABLE – 2.1

SHPIs AND THEIR OPERATIONAL AREA

Sl. No	Self Help Promotion Institutions (SHPIs)	Operational Area
1.	DWACRA Replaced by Swarnajoyanti Gram Sworojgar Yojana(SGSY)]	In all districts.
2.	Indira Mahila yojana	In selected Six districts.

3.	Self help Group Linkage Programme of NABARD	In all districts.
4.	Small Industries Development Bank of India(SIDBI)	In selected districts.
5.	Mahila Sanchayika Sangha (Mass)	In Ganjam district.
6.	ICDS promoted Mahila Mandal	In all districts.
7.	Rastriya Mahila Kosh(RMK)	In selected districts
8.	Nehru Yuva Kendra	In selected districts
9.	Non-government Organisations	In selected districts
10.	Vikas Volunteer Vahini club (VVV Club)	In selected districts

Besides, the above major SHPIs as explained in table 21, there might be few other SHPIs, which have not come to our notice during the course of our study. All the above mentioned SHPIs have been explained in some greater detail due to their increasing relevance.

1. SHGs PROMOTED BY DWACRA (NOW CONVERTED TO SHGs)

DWACRA as a sub-scheme of IRDP started in the year 1982-83 on a pilot project basis in 50 selected districts but has now been extended to all the districts of the country. The basic objective of the programme is to provide income generating skills and activities to poor women in rural areas, thereby improving their social and economic status. As per its provision poor women of 10-15 members in rural areas form a group to take up any economic activity jointly and the net benefits arising from it are shared among them.

DWACRA is being implemented by the DRDA. To facilitate the implementation of the scheme a post of Assistant Project Officer (APO women) has been sanctioned at the block level to look after the activities of the groups. This is in addition to the two-Gram Sevikas in the normal block pattern. The

APO and three-Gram Sevikas form a team to help in the implementation of DWACRA.

At present about 11,000 women groups are operating in ORISSA under DWACRA scheme. Maximum numbers of DWACRC groups are found in the districts of Sambalpur, Sundargarh, Kalahandi and Kendrapara etc. District-wise functioning of DWACRA groups is shown in *Annexure – 1*. The main objectives of the DWACRA scheme is presented as

- To try and form women's groups each consisting of 15 to 20 members
- To improve the social status of the women from rural areas by uniting them and organizing them to develop cottage industries.
- To give credit to individuals and group members for the successful implementation of the programme.
- To encourage women to take up income generating activities thereby improving their socio-economic status.
- To improve the access of rural women to health, education, safe drinking water, sanitation nutrition etc and to bring about an enhancement in the quality of life and general well being of women and children.

SOME HIGHLIGHTS ON "DWACRA" OPEATIONS

- In Ganjam district as per the initiative of DRDA and involvement of BDOs, few SHG groups have been converted into DWACRA groups.
- Similarly as per the instance of DRDA (Chatrapur) the CDPOs working at Chatrapur, khallikote, KSnagar, Kukudakhardi, Chikiti, Patrapur, Bhanjanagar, Buguda, Jagannathaprasad have been involved in the formation of at least 40 SHGs each.
- ORMAS at the State level, launched a special initiative to market the rural products like consumables items (including rice, Haldi, chilli, Mustard oil, Pickles, Badi, Pampad etc), utility items (coir mats, sisalmats, golden grass mats, wooden telephone mats etc), Office stationary (bamboo waste box, Paper weights, wooden/bamboo pen stands), minor forest products

like Jhuna, Palua, Lac etc. through different Bhanja Prabha outlets of Orissa.

- As per the instructions of DRDA, few DWACRA groups have been registered during 1998-99 onwards. The objective is to get group financial assistance from the banks.
- DWACRA is replaced by Swarnajayanti Gramya Swarojgar Yojana.

SWARNA JAYANTI GRAMYA SWAROJGAR YOJANA

Swarnajayanti Gramya Swarojgar Yojana (SGSY) an alternative to earlier self employment and allied programmes was launched on April 1999 with the exclusive objective of establishing a large number of micro enterprises in the rural area as building upon the potential of the rural poor. Funds required under the SGSY are being shared by the central and state Governments in the ratio of 75:25. The SGSY is being implemented by the DRDAs through the panchayat samities.

SALIENT FEATURES OF SGSY

- SGSY is conceived as a holistic programme of micro enterprises covering all aspects of self employment, viz. organisation of the rural poor into self help groups and their capacity building planning activity clusters, infrastructure build up, technology, credit and marketing.
- SGSY lays emphasis on activity clusters, 4-5 key activities will be identified for each block based on the occupational skill of the people and availability of markets.
- SGSY lays emphasis on activity clusters, 4 – 5 key activities will be identified for each block based on the resources, occupational skills of the people and availability of markets. Selection of key activities will be with the approval of the Panchyat Samities at the block level and the District Rural Development Agency (DRDA)/Zila Parisad (ZP) at the district level.

- SGSY focuses on Group approach. This would involve organisation of poor into SGSY and their capacity building efforts would be made to involve women members in each SHG.
- SGSY is a credit cum - subsidy programme. Credit appears to be the critical component in SGSY, subsidy being only an enabling component.
- SGSY promotes multiple credit rather than a one – time credit injection.
- Special emphasis is laid on skill development of the swarojgaries through well designed training courses.

At present SGSY is in vogue in all the districts of the state. A district wise list of SHGs for micro enterprises under SGSY is furnished in Annexure – II.

2. INDIRA MAHILA YOJANA IN SHG

Indira Mahila Yojana (IMY) for the holistic empowerment of women, was initially launched in 200 selected blocks of the country on 20th August 1995 by the Govt. of India. The IMY seeks to achieve the following objectives like

- To generate awareness among women by disseminating information and knowledge so as to bring an attitudinal change.
- To help women achieve economic strength through micro level income generation activities.
- To establish convergence of various services such as literacy, health, non-formal education, rural development, water supply, entrepreneur-ship etc.

The Indira Mahila Yojana (IMY) as a centrally sponsored scheme aims at coordinating and integrating sectoral programmes relevant to women like health, education, water sanitation, housing at the local block and district level and increasing their awareness and income through group activities and participation with the aim of empowering women.

IMY successfully works in 6 districts of the state with the involvement of NGOs. A district-wise list of working of IMY alongwith the names of NGOs identified therein and the number of SHGs formed under this scheme is furnished in *Annexure – III*.

3. SHG LINKAGE PROGRAMME OF NATIONAL BANK OF AGRICULTURE AND RURAL DEVELOPMENT (NABARD) IN ORISSA

NABARD being an apex level financial institution occupies a unique place with a mandate to promote integrated rural development. Since February 1992 it has successfully developed and operationalised the concept of linking SHGs with banks as a supplementary mechanism of saving and credit where a large number of NGOs and Banks are participating. In addition, NABARD also supports various other credit dealing innovations that are being experimented in different parts of the country, such as: "Gramin Bank" replication, NGO networking, SHG federation, credit Unions etc. NABARD launched a pilot Project in February 1992 for linking 500 SHGs with Banks. The objectives of the programme include

- Encouraging banking, thrift and credit among the rural masses.
- Evolving supplementary credit storage for meeting the credit needs of the poor.
- Building mutual trust between the bankers and rural poor.

The RBI institutionalized the SHG linkage programme in April 1996 as a normal lending activity of the banks under priority sector and service area approach. Thus, the pilot project became a mainline activity and entered the expansion phase in 1996.

There has been substantial progress in linking SHGs with banks over the years. Starting from a modest number of 255 groups linked by March 1993, the cumulative number of SHGs linked by March, 1998 stood at 14317, with the involvement of 2500 branches of 150 banks through 291 NGOs in 19 states and 2 Union Territories and by March, 2000 this cumulative number of SHGs spectacularly increased to 1, 13, 263.

A. COVERAGE IN THE STATE OF ORISSA

The number of groups formed in the state of Orissa under the SHG linkage programme till March, 2000 is 4039. A district-wise list of the no of SHGs coming under SHG linkage programme is furnished in *Annexure – IV*.

B. SHG MODEL

Under NABARD SHG linkage programme, the following types of models are noticed. The change in process under each model is stated as per the following.

MODEL – 1

The bank is providing credit in bulk directly to the group which may be informal or formal (i. e. registered body). The group in turn is undertaking on lending to its members on terms agreed upon mutually among them-selves. The quantum of credit given to the group should be in proportion to the savings mobilized by the group, savings credit ratio varying from 1: 2 to 1: 3 in the study areas.

MODEL – 2

If the bank does not have adequate trust and faith on a particular SHG, then through NGOs credit is entered into the SHGs.

MODEL – 3

In this type of model, provisions are there that individual members having bulk credit requirements can receive micro- credit from the linked bank directly subject to the consent of the concerned SHG.

C. INNOVATIVE STEPS UNDERTAKEN BY NABARD IN ORISSA

As per direct assistance and supervision of NABARD, a 'Centre for Micro Finance' has been formed at XIMB, Bhubaneswar. The main objective of this centre is to provide training and other guidelines to the SHGs, members of the SHGs, different NGOs, banks and other agencies who are involved in the task of forming SHGs.

- NABARD has arranged all types of technical assistance and encouragement to the RRBs operating in the district of Bolangir, Dhenkanal, Kalahandi and Koraput.
- It has made its special target of forming at least 5000 SHGs in the backward KBK districts of the state.
- It has facilitated Vikas Volunter Vahini (vvv) clubs at the grassroot level.

4. SMALL INDUSTRIES DEVELOPMENT BANK OF INDIA (SIDBI) AS A SELF HELP PROMOTING INSTITUTION

Small Industries Development Bank of India (SIDBI) introduced the Micro Credit Scheme (MCS) in 1994. Assistance is extended under this programme through 125 pilot accredited NGOs covering over 1, 23, 000 poor women members, yielded satisfactory results. This has encouraged SIDBI to meet the challenge by taking proactive steps to enhance the flow of institutional funds to this sector. Keeping in view the tremendous potential of reaching out to millions of rural entrepreneurs, a further impetus in development of micro-credit is essential at this stage.

With this background, SIDBI launched a Rs. 100 crores SIDBI foundation for Micro Credit (SMFL) in November 1998. The SIDBI foundation would also focus on encouraging micro finance product innovations.

The renewed approach focuses on identifying major (nodal) Micro Finance Institutions (MFIs) as long term partners and providing credit support for their micro-finance initiatives. These MFIs, which inter-alia includes NGOs and community based organisations, which are selected on the basis of their credibility, track record, professional expertise, management practices and organizational capabilities, growth potential etc.

SIDBI foundation would simultaneously help these MFIs by way of need-based loans and grants to strengthen the management capabilities. They will act as the strong intermediaries in the informal credit segments.

Empowering every member to share views in the meeting

5. DISTRICT ADMINISTRATION

In some districts of the state, the district administration is playing an important role in promoting women Self-Help Groups. Mahila Sanchayika Sangha (MASS), a federation of SHGs introduced by the district administration in Ganjam is a pioneering attempt in this regard.

2. Regional Rural Banks (RRBs)

As per the provision of Bank linkage Scheme of the SHGs, very recently the RRBs have started promoting the SHGs, since 1995-96.

3. NGOs as Self Help Promoting Institution

Non Governmental Organizations (NGOs) operating in the state are increasingly found in promoting and organizing Self-Help Groups in the state.

Recently NGOs have been identified as the best promotional agency as they have long experience in working with the local people. The success stories elsewhere reveal their contribution towards nurturing and making the groups self-reliant. NGOs under the guidance of NABARD have promoted groups, many of which have reached a self-reliant stage. It needs to be highlighted that the groups remain apolitical, effectively responding to the needs of the community without actually becoming bureaucratic.

As these are more heterogeneous and scattered therefore, it is found difficult to provide a detailed list of all NGOs working in the state. However, as the chief facilitators for the concerned SHGs, their activities include.

- Attending every meeting initially for about a month.
- Not to interfere in- group decisions.
- Teaching the group about standard practices.
- Ensuring the decisions are promptly taken.
- Assisting to maintain proper records.
- Ensuring that involvement of the group in any scheme is thoroughly discussed by the group.
- Encouraging every member to share views in the meeting.

- Not to promise any benefit for the members.
- Ensuring that income generation activities are thoroughly discussed by the groups before taking up such activities.

8. RASTRIYA MAHILA KOSH (RMK)

The scheme of RMK has been widely acclaimed as a successful one for reaching credit to the needy women in a simple manner, at their doorstep so to say.

The Rastriya Mahila Kosh (RMK) had been constituted as a society on 30th March 1993 with the objective of facilitating credit to poor women and it was sponsored by the Department of women and child Development, Ministry of Human Resources Development, Government of India.

Main Objectives

The main objectives of RMK as laid down in the Memorandum of the Association are as under

- (i) To promote or undertake activities for promotion of or to provide credit as an instrument of socio-economic change and development through the provision of a package of financial and social development services for the development of women.
- (ii) To promote and support schemes for improvement of facilities for credit in favour of women with a view to provide.
 - a) Sustenance of their existing employment.
 - b) Generation of further employment.
 - c) Asset creation.
 - d) Asset redemption ; and
 - e) Tiding over consumption, social and contingent needs.
- (iii) To demonstrate and replicate participatory approaches in the organization of women's groups for effective utilisation of credit resources leading to self-reliance.

- (iv) To promote and support experiments in the voluntary and formal sector using innovative methodologies to reach poor women with credit and other social services.
- (v) To sensitize existing Government delivery mechanisms and increase the visibility of poor women as a vital and viable clientele with the formal financial institutions.
- (vi) To promote research, study, documentation and analysis and of credit and its management.

Important Functions of the Kosh

The RMK discharges the following important functions for the furtherance of its objectives.

- (a) The Kosh seeks to enable women to achieve economic independence. It will strive to go beyond credit delivery and provide services for integrated development centre needs of poor women.
- (b) Education of credit management will be integrated with the provision of credit, along with literacy and skill training for individual women leadership training among groups for self- management etc.
- (c) Accessibility of credit to poor women will be improved in terms of physical distance, simplification of procedures, flexibility of measures for loan and recovery and other measures conducive to increased utilisation etc.
- (d) The Kosh will have a policy and advocacy dimension in its working which would provide a basis for revisions in the formal system.
- (e) Establish a mechanism for dissemination of information and experience among agencies in the Government and non-government sections in the area of credit for poor women and motivate NGOs.

1.9 NEED OF THE STUDY

Orissa happens to be one of the few states where women self help groups have been in operation since last couple of years. Orissa being an economically

weaker and underdeveloped state, the success and failure of such an important movement as the formation of Women Self-Help Groups holds immense possibilities in economic empowerment of the poor women. At present in Orissa, quite a large number of women SHGs are operating in different places. Some of these groups are operating for over 6 to 7 years period. Almost all these groups have been formed with the initiative of either the NGOs or under certain schemes run by Government of India, through the Dept, of women and child Development/Banks/Financial Institutions.

Since these groups have been in operation since last few years, it is important and proper to make an in-depth assessment of their functioning and to ascertain if the members have really benefited from such groupings. Thus, there is definite need to undertake a study to examine various issues related to the functioning of these groups. These issues are concerned with the organisation structure, methods of operation, linkage with NGOs and financial institutions, intra group relationship among members, activities undertaken, problems faced, strengths and weaknesses, benefits derived by members, future prospects etc. On the basis of study results, appropriate suggestions and recommendations need to be outlined in order to make these SHGs strong and viable groups which can make positive impact on facilitation of credit to poor women in Orissa through the Self Help Groups (SHGs).

It is in this background, the present study has been undertaken by 'The Organisation for Women and Rural Development' for the Department of Women and child Development, Ministry of Human Resources Development, Government of India, New Delhi

1.10 OBJECTIVE OF THE STUDY

- (i) To trace the historical, social and cultural factors related to the development of Self-Help Groups in Orissa.
- (ii) To study the organisational structure and pattern of the women Self-Help Groups in Orissa.

- (iii) To examine the role of voluntary organisation/Government Agencies in the formation of the Self-Help Groups.
- (iv) To determine the membership profile of the Self-Help Groups.
- (v) To assess the activities and functioning of Groups in terms of their operations, activities, strategies, problems and future scope.
- (vi) To ascertain the impact of the Self-Help Groups on the socio-economic status of its members.
- (vii) To find out the kind of linkages established by the SHGs with Banks/Financial Institutions.
- (viii) To examine the role of SHGs in encouraging thrift and credit among the poor women in rural areas.
- (ix) To suggest steps, measures and change in Self Help Groups for sustaining and strengthening towards greater future viability and positive impact on micro credit availability to the rural poor.

III METHODOLOGY

A. *Collection of Data*

The present study has been developed with the aid of primary data as well as secondary data, like the list of SHPIs and SHGs formed under different SHPIs, which are obtained from the district level offices like NABARD, DRDA, state level offices like SIDBI, Regional office of NABARD and centre for Micro Finance located at XIMB, Bhubaneswar.

B. *Sample Design*

As agreed to, a total no of 150 women SHGs were selected with the help of stratified random sampling. As there are a number of SHPIs working in the state for promoting SHGs, thus, each SHPI is considered as one stratum.

C. *Selection of Sample Districts*

As the required sample size is 150 women SHGs, therefore, 25 women SHGs were selected from each district of Ganjam, Gajapati, Phulabani, Kalahandi, Keonjhar and Rayagada. While selecting districts, criteria are fixed at

SC and ST concentration in the concerned districts. Five districts like Gajapati, Phulbani, Rayagada, Kalahandi and Keonjhar have been selected on the ground of concentration of more ST population. On the other hand, Ganjam district has been selected on the ground of concentration of SC population (Profile of the selected districts is shown in *Annexure – VII*).

Again as SC / ST population constitutes a significant chunk of state's population and they are economically more backward, therefore, in order to study the socio economic impact of SHG programme on them, 20% of the sample size in each district is made reserved for SC / ST women SHGs. This implies that the study reserves 20 percent of its total sample size for SC / ST women run SHGs (5 from each district) are studied.

D. Selection of Sample SHGs

The 150 SHGs from each type of SHPI are selected in such a way that representative sampling is ensured. Though, Stratified Random Sampling with fixed quota may hold a proper sampling strategy, but in the absence of sufficient database as regards to the number of SHGs under different SHPIs operating in concerned districts, therefore, a tailor-cut strategy of Stratified Random Sampling has been utilized. In this process, the lead SHPIs of the district has been ascertained by making several round discussions with the people, Govt. officials, local Self-Governments and AGM's office, district level NABARD office etc. Thus 25 SHGs promoted by the leading SHPIs in each district amounting to 150 SHGs in all the 6 selected districts have remained as the required sample size.

E. Description of Selected SHGs in Sample Districts

- In Ganjam district, 25 SHGs including 5 SC-SHG are selected from *Mahila Sanchayika Sangha* (MASS) a federation of SHGs at the district level, promoted by the district administration.

- In Gajapati district, 25 women SHGs including 5 ST groups exclusively promoted by PREM (an NGO) and Gram Vikas (an NGO) are selected for the purpose of the study.
- In Phulbani district, 10 women SHGs promoted by Samanmita, a local NGO are selected. Samanmita happens to be a pioneer in the formation of SHGs in this district. The rest 15 are taken from the SHGs promoted by Neheru Yuva Kendra.
- In Rayagada district, out of 25 women SHGs selected, 10 SHGs are promoted by Panchabati Gramya Bank, 5 are promoted by different branches of commercial banks and the rest 15 are from the women SHGs promoted by Vikas Niketan, a Muniguda based NGO.
- In Kalahandi district, 15 homogeneous groups including SC / ST SHGs are selected from Indira Mahila Yojana, 5 from SHGs promoted by Kalahandi Gramy Bank, 2 from SHGs promoted by SGSY, 3 from SHGs promoted by commercial banks.
- In Keonjhar district, 25 women SHGs including 5 ST women SHGs are selected from DWACRA group.

The detailed district wise sample design is furnished in *Annexure – VI*.

F. Selection of Members from SHGs

As per the requirements of this study, 300 members are selected from 150 women SHGs with 2 members from each SHG. Two members who have taken highest amount of loan and provided highest savings to the group have been considered purposefully. Thus, with the aid of purposive sampling, the required members have been determined.

CHAPTER - 2

EVALUATION OF WORKING STATE

Development of a country depends on the state of its working force. A country which has a large working force, which is well educated, well trained, and well organized, will be able to generate a high rate of economic growth through the reforms of self help groups. A country which has a large working force, which is ill educated, ill trained, and ill organized, will be unable to generate a high rate of economic growth through the reforms of self help groups. A country which has a large working force, which is well educated, well trained, and well organized, will be able to generate a high rate of economic growth through the reforms of self help groups. A country which has a large working force, which is ill educated, ill trained, and ill organized, will be unable to generate a high rate of economic growth through the reforms of self help groups.

Chapter - 2

DISTRICT AND COMMUNITY WISE DISTRIBUTION OF

The following table shows the distribution of the working force in different districts and communities. The data is presented in a tabular form for easy reference.

CHAPTER - 2

EVALUATION OF WOMEN SHGs

Development of people's organizations to serve as focus for the creation of awareness and channelising the flow of development benefits and credit for income generating schemes of women has been attempted through the medium of self help groups of women in many developing countries, including India. The micro-credit has come to play an influential role in catering to the poor women folk for undertaking income generating activities where credit is the major input in addition to upgradation of skill and managerial capabilities. In this context, the Government of India is committed to enable poor women in rural and urban areas to have access to economic and social resources and thereby empower women through a number of women targeted programmes such as DWACRA, NABARD's linkage programme for women SHGs, Rastriya Mahila Kosh etc.

SHGs, particularly during 1990s have emerged with much momentum in the poorer states of the country, including Orissa. Present chapter attempts at a statistical analysis about the functioning of women SHGs in Orissa. Besides, this chapter also tries to point out the degree of efficiency of different SHGs, keeping in view the different indicators for assessing the group viability.

2.1 DISTRICT AND COMMUNITY WISE DISTRIBUTION OF SHGs

Table 2.1 explains the district and community wise distribution of sample SHGs. Though 25 women SHGs from each sample district have been considered, but keeping in view the degree of concentration of scheduled caste and Scheduled Tribe population, the number of women SHGs have been made varied.

TABLE – 2.1
DISTRICT & COMMUNITY WISE DISTRIBUTION OF SHGs

Sl. No.	Sample districts	Scheduled Caste	Scheduled Tribe	General	Total
1.	Ganjam	5	-	20	25
2.	Gajapati	-	5	20	25
3.	Phulbani	3	2	20	25
4.	Kalahandi	-	5	20	25
5.	Keonjhar	3	2	20	25
6.	Rayagada	3	2	20	25
Total		14	16	120	150
Percentage		9.33	10.66	80	100

Majority of SHGs about 80 percent of them consist of the members from General category where as about 9 percent of them consist of the members from scheduled caste community and the rest 11 percent of them are found with the members from scheduled tribe community.

2.2 SHPI – WISE DISTRIBUTION OF SHGs

Self-Help Promoting Institutions (SHPIs), other wise described facilitators, necessarily, undertake initial steps for the better start of a new SHG. There are a number of facilitators currently engaged in the task of formation of Self-Help Groups (SHGs) in Orissa. Table 2.2 explains SHPI wise distribution of SHGs.

TABLE - 2.2

DISTRIBUTION OF SHGs AS PER THEIR RESPECTIVE SHPIs

Sl. No.	Self Help Promoting Institutions	No of SHGs	Percentage
1.	DWACRA Scheme	25	16.66
2.	Indira Mahila Yojana (IMY)	15	10.0
3.	Commercial Banks	8	5.33
4.	Regional Rural Banks	15	10.0
5.	District Administration	25	16.66
6.	Nehru Yuva Kendra	15	10.0
7.	NGO	45	45.0
8.	SGSY	2	1.33
	Total	150	100.00

As per this table, majority of SHGs about 45 percent are promoted by different NGOs operating in different districts. Further, the SHPIs like DWACRA scheme (16.66%), Indira Mahila Yojana (5.33%), Commercial Banks (5.33%), Regional Rural Banks (10.0%), district administration (16.66%), Nehru Yuva Kendra (10.0%) and SGSY (1.33%) etc. also constitute to be the important facilitators of SHGs.

23 DISTRIBUTION OF SHGs ACCORDING TO THE SIZE OF MEMBERSHIP

Membership size is well supposed to be a good indicator about the strength associated with any organization. Thus, the structure of SHGs basing on the size of the group has been explained in the table 2.3.

TABLE – 2.3

GROUP STRUCTURE ACCORDING TO THE SIZE OF SAMPLE SHGs

Sl. No.	Group size	No. of SHGs	Percentage
1.	Less than 10 members.	52	34.66
2.	10 – 15 members	61	40.66
3.	15 – 25 members	27	18.0
4.	Above 25 members	10	15.0
	Total	150	100.00

About 41 percent of the SHGs are having with the group size consisting of 10 – 15 members. Less than 10 members are noticed in about 35 percent of SHGs. 15 – 25 members are reported with single occupations and about 13 percent of SHGs report that their members are having with more than two occupations.

2.4 SOCIO-ECONOMIC PROFILE OF THE GROUP MEMBERS IN DIFFERENT SHGs

The socio-economic profile of the group members has been explained in table 2.4. While explaining this table, factors like occupation of group members, age group, Marital status, level of literacy, group category etc. have been considered.

TABLE – 2.4

SOCIO ECONOMIC PROFILE OF THE GROUP MEMBERS

Sl. No.	Socio-economic profile of the group member	No. of members	Percentage
1.	Occupation of group members (i) Agriculture (ii) Allied Activities/Dairy/Fishery/	125	41.66

	Poultry/Piggery/Others	85	28.33
	(iii) Collection of forest products	48	16.00
	(iv) Household industry/craft	17	5.66
	(v) Trading/Business	22	7.33
	(vi) Pvt. And Govt. Servant	3	1.0
2.	Age Group		
	(i) 18 – 30 years	102	34
	(ii) 30 – 35 years	55	18.33
	(iii) 35 – 40 years	81	27.00
	(iv) 40 and above	62	20.66
3.	Material Status		
	(i) Married	266	88.66
	(ii) Unmarried	34	13.13
4.	Level of literacy		
	(i) Illiterate	93	31.00
	(ii) Knowing only signature	162	54
	(iii) Read only	21	7.00
	(iv) Read and write	24	8.00
5.	Category of members in different Groups		
	(i) Schedule Caste	34	11.33
	(ii) Scheduled Tribe	58	19.33
	(iii) Other Backward Category	108	36.00
	(iv) Physically handicapped	31	10.33
	(v) Widow	46	15.33
	(vi) Others	23	7.66

The occupational profile of the group members suggests that maximum number of members about 42 percent are engaged in agriculture followed by allied activities (28.33%), collection of forest products (16.00%), trading / business (7.33%), household industry / craft (5.66%) and Pvt. / Govt. service only (1.0%).

An analysis of the age-group of the members suggests that 34 percent of the members are in the age group of 18 – 30 years, 27 percent of them are in the age group of 35 – 40 years, about 21 percent of the members are reported in the age group of 40 and above and about 18 percent of them are noticed in the age group of 30 – 35 years.

Further explanation related marital status shows that 88 percent of SHG members are married and the proportionate share of unmarried members stands at only 8.0 percent.

A close examination of the level of literacy of the members suggests that a significant proportion of the members about 31 percent are illiterates, about 54 percent of them know only signature, 7 percent of them are able to read only and 8 percent of them are able to read and write. Categorywise classification of members shows that a majority of members about 36.00 percent belong to OBC category followed by schedule tribes (19.33%), scheduled castes (11.33%). Besides 10.33 percent of the members are handicapped and 15.33 percent of them are widows.

25 PRESENT STATUS OF THE GROUP

The present status of the group has been explained in table 2.5. The present status has been explained in terms of

- 1) Well functioning
- 2) Average
- 3) Idle group and
- 4) Non-functioning

TABLE- 2.5**DISTRIBUTION OF SHGs ACCORDING TO THE PRESENT STATUS**

Sl. No.	Status of the group	No. of SHGs	Percentage
1.	Well functioning	34	22.66
2.	Average	36	24.00
3.	Idle group	47	31.33
4.	Non-functioning	33	22.00
	Total	150	100.00

It has been observed that only 34 groups i.e. 23% of the total sample SHGs are found as well functioning groups, 24 percent of them are average groups, about 34 percent of them are idle groups and the rest about 22 percent of them are non-functioning groups.

2.6 AWARENESS OF MEMBERS ABOUT THE BYE- LAW

Awareness of the members about the bye- law has been explained in table 2.6. As per this table, about 42 percent of the members are fully aware of the bye- law, 49 percent of them are partly aware of bye- law and an insignificant portion of them are non-aware of bye- law.

TABLE - 2.6**AWARENESS OF MEMBERS ABOUT BYE-LAW**

Sl. No.	Type of awareness	No. of SHGs reporting	Percentage
1.	Fully aware	63	42.00
2.	Partly aware	74	49.33
3.	Non-aware	13	8.66
	Total	150	100.00

2.7 FREQUENCY OF MEETING

Table 2.7 explains the frequency of conducting meetings as undertaken by SHGs. The group meeting takes place at regular intervals in different SHGs. About 31 percent of the total SHGs studied undertake monthly meetings, quarterly meeting (18 percent), weekly (5.33%). Besides, about 23 percent of the SHGs undertake meetings rarely and about 18 percent of them hold meetings very frequently, 5 percent of them hold meetings whenever required and 2 percent of them never undertake meeting.

TABLE – 2.7
FREQUENCY OF GROUP MEETINGS

Sl. No.	Frequency of Group meeting	No. of SHGs	Percentage
1.	Weekly	8	5.33
2.	Monthly	46	30.66
3.	Quarterly	26	17.33
4.	Yearly	34	22.66
5.	Frequently	26	17.33
6.	Whenever required	7	4.66
7.	Never	3	2.00
	Total	150	100.00

2.8 TYPE OF ATTENDANCE

The type of attendance of the group members in the group meeting has been explained in table 2.8. As per it, about 40 percent of the SHG members are having with 50 percent attendance and less than 50 percent attendance is reported among 20 percent of the members, 75 percent attendance is reported among 14 percent of the members. Full attendance is reported among 11 percent of the members and just quorum is observed among 16 percent of the members.

Thus, with respect to attendance, the performances of the SHGs are not satisfactory.

TABLE – 2.8
ATTENDANCE OF GROUP MEMBERS AT THE MEETING

Sl. No.	Type of attendance	No. of members	Percentage
1.	Full attendance	32	10.66
2.	75% attendance	42	14.00
3.	50% attendance	121	40.33
4.	Less than 50% attendance	51	19.66
5.	Just quorum	46	15.33
	Total	300	100.00

29 TYPE OF DISCUSSION IN THE GROUP MEETING

The different matters discussed in the SHG meeting is analyzed in table 2.9. The broad range of issues which are discussed in the meeting includes functioning of the group in general, working of the scheme, repayment of loan, skill upgradation, procurement of raw material, marketing of the produce, savings, future programmes, strengthening of the group and general discussions.

TABLE – 2.9
MATTER DISCUSSED IN THE SHG MEETING

Sl. No.	Subject matter of the meeting	No. of members report	Percentage
1.	Functioning of the group in general	16	10.66
2.	Working of the scheme	6	4.00
3.	Repayment of loan	11	7.33
4.	Skill upgradation	15	10.00

5.	Procurement of raw materials	33	22.00
6.	Marketing of the produce	26	17.33
7.	Savings	13	0.66
8.	Future programmes	11	7.33
9.	Strengthening of the group	7	4.66
10.	General discussions	12	8.00
	Total	150	100.00

2.10 TYPE OF RECORDS IN SHGs

Table 2.10 enlists different type of records maintained by the SHGs.

TABBLE – 2.10
TYPE OF RECORDS

Sl. No.	Type of Records	No. of SHGs	Percentage
1.	Attendance-cum-minute book	103	68.66
2.	Savings Register	141	94.00
3.	Pass book / Joint pass book	150	100.00
4.	Membership Register	50	33.33
5.	Visiting books	13	8.66
6.	Cash books	103	68.66
7.	Loan ledger	11	7.33

➤ *Attendance-cum-Minute Book*

It contains the proceeding of all the meetings and attendance of the members in every meeting. All the discussions relating to different problems and issues of the SHGs, savings mobilized by the group and other transactions carried out by the group, etc. are reflected in the minutes book. About 69 percent of the SHGs maintain this record.

➤ ***Savings Register***

It consists of the savings of all the members. It keeps the records of the deposits of each member separately and these records are updated regularly. About 94 percent of the members maintain savings Register.

➤ ***Pass book / Joint pass book***

To provide details of savings, loans and other transactions and to bring transparency in the working of SHGs, each member is given an individual member's passbook. This passbook is regularly updated by the concerned SHGs as and when any transaction takes place, whether deposit or withdrawal of savings, receipt or repayment of loan etc.

Each SHG (whenever possible) opens and maintains an account in the nearby bank in its name and it is operated jointly at least under the signature of two authorized officials of SHG. All transactions of savings, loans, borrowings and recoveries etc. are routed as far as possible through this account. The system of passbook and joint passbook is found in all the SHGs.

➤ ***Membership Register***

The membership register is maintained to give basic information about all members of SHG such as their name, address, membership No, date of enrolment, age, occupation and other particulars such as training received etc. This type of register is found in about 33 percent of SHGs.

➤ ***Cash Register***

It is otherwise called monthly receipts and payments account. Making a receipt and payment account can check up the total of all transactions during the month. Debit side of the receipt and payment account shows the total of all receipts during the month under various heads like deposits, repayment of loans and deposits in bank, interest received and other receipts etc. Similarly the payment side records total of cash payment under loans, interest paid, salary amount deposited in banks, deposits repaid and other expenses. Cash register is found to be maintained in about 69 percent of SHGs.

➤ **Loan Ledger**

It keeps records related to the credit provided to the members. The records kept there in are the loan amount, the amount repaid, interest carried from members on loan etc.

2.11 RECORD MAINTAINING RESPONSIBILITY

Like any other business, record keeping constitutes an important aspect for the effective management of the Self-Help Group. As far as maintenance of records is concerned, simplicity is followed in the SHGs. If the responsibility of maintaining records are undertaken by the facilitators initially, but subsequently, the knowledge and skill of maintaining the records is transferal to the group members. Table 2.11 explains the person concerned responsible for maintaining the records.

TABLE – 2.11

MEMBERS RESPONSIBLE FOR MAINTAINING THE RECORDS

Sl. No.	Records maintained by	No. of SHGs	Percentage
1.	Group Organiser	14	9.33
2.	Any member	54	36.00
3.	Treasurer	26	17.33
4.	Person from the facilitating agency	40	26.66
5.	Hired Personnel	16	10.66
	Total	150	100.00

It is observed that in a majority of about 36 percent of SHGs, the task of record keeping are furnished by any member of the SHG. Persons from the facilitating agency maintain records in 27 percent of SHGs. Treasurers are found to maintain records in 18 percent of SHGs. In about 10 percent of the SHGs, group organizer maintains the records. Further hired personnel are used for maintaining the records in about 11 percent of SHGs.

2.12 SELECTION OF GROUP LEADER

Group leader assumes the important responsibility for the viability and stability of the group. Different SHGs select the group leader in different ways. About 34 percent of the SHG select their group leaders democratically. In about 19 percent of the SHGs, village leaders nominate group leaders and in about 48 percent of SHGs, group leaders are nominated by SHG promoting agency.0

TABLE – 2.12

PROCEDURE FOR SELECTING GROUP LEADERSHIP

Sl. No.	Procedure for selecting the group leadership	No. of SHGs report	Percentage
1.	Democratically elected	51	34.00
2.	Nominated by village leaders	28	18.66
3.	Nominated by SHG promoting agency	71	47.33
	Total	150	100.00

2.13 LEVEL OF PARTICIPATION OF THE GROUP MEMBER IN-GROUP ACTIVITIES

The level of participation of the group members in-group activities has been explained in table 2.13.

TABLE – 2.13

LEVEL OF PARTICIPATION OF THE MEMBERS

Sl. No.	Level of participation	No. of SHGs	Percentage
1.	Fully participation	38	25.33
2.	Partly participation	86	57.33
3.	Non-participation	26	17.33
	Total	150	100.00

Partly participation of members is reported in about 57 percent of SHGs, fully participation is reported in 26 percent of SHGs and non participation is reported in 18 percent of the SHGs.

2.14 POLICY FRAMEWORK

The type of procedure followed to frame policy in different SHGs has been explained in table 2.14.

TABLE – 2.14
TYPE OF PROCEDURE FOR POLICY DECISIONS

Sl. No.	Type of Procedure	No. of SHGs	Percentage
1.	Participation by all the members	36	20.00
2.	Imposition of group leader	52	34.66
3.	Imposition by the sponsoring authority	32	21.33
4.	With the consent of the influential members	23	15.33
5.	Non-involvement of all the members	11	7.33
6.	Imposition by government	2	1.33
	Total	150	100.00

It is found that in maximum number of SHGs (about 35 percent), policies are adopted with the imposition of the group leader. Imposition of policy by the sponsoring authority is reported in about 21 percent of SHGs. However, 20 percent of SHGs adopt policies quite democratically with the participation of all the members and in about 15 percent of SHGs, policies are adopted with the consent of some influential members. Non-involvement of all the members in

the matters relating to policy adoption is noticed in about 7 percent of SHGs. Imposition of policy by the govt. authorities is noticed in 2 percent of SHGs.

2.15 NATURE OF CO-ORDINATION OF THE SHGs

Co-ordination constitutes an important aspect of any organization for its smooth functioning. Table 2.15 illustrates the type of co-ordination undertaken in SHGs.

TABLE - 2.15
NATURE OF CO-ORDINATION

Sl. No.	Nature of co-ordination	No. of SHGs report	Percentage
1.	At regular Interval	45	30.00
2.	Periodically	33	22.00
3.	Rarely	72	48.00
	Total	150	100.00

It is found that 48 percent of the SHGs don't have proper co-ordination and they do it very much rarely, 30 percent of them do it at regular intervals and 22 percent of them do it periodically.

2.16 SAVING AND CREDIT PRINCIPLES OF THE SHGs.

The very objective associated with all the SHGs is that to cater the small savings of the members at regular / periodic interval and to credit it cyclically to the needy members. The specific periodicity attached with the task of collecting savings is called the mode of generating savings of the group. The mode of generating savings of the group has been explained in table 2.16.

TABLE – 2.16
MODE OF GENERATING SAVINGS OF THE GROUP

Sl. No.	Mode of generating savings of the group	No. of SHGs	Percentage
1.	Daily	3	2.0
2.	Weekly	5	3.33
3.	Fortnightly	8	5.33
4.	Monthly	83	55.33
5.	Quarterly	6	4.00
6.	Half – yearly	4	2.66
7.	Yearly	5	3.33
8.	As & when possible	12	8.00
9.	No savings at all	22	14.66
	Total	150	100.00

It is noticed that majority of SHGs about 55 percent collect savings from the group members at monthly intervals and only 2 percent of them collect savings daily. However, the number of SHGs undertaking savings at weekly intervals (3.33%), quarterly intervals (4.0%), half yearly (2.66%) and yearly (3.33%). Again 8 percent of the SHGs mobilize savings as and when possible. Rest about 15 percent of the SHGs never mobilize any savings.

2.17 PRESCRIBED SAVINGS AMOUNT

A specific amount of minimum savings is always prescribed in any type of SHG. The distribution of SHGs as per the prescribed minimum savings amount has been explained in table 2.17.

TABLE – 2.17
PRESCRIBED SAVINGS AMOUNT

Sl.No.	Prescribed savings amount	No. of SHGs reporting	Percentage
1.	Less than Rs. 10/-	59	39.33
2.	Rs. 11/- - Rs. 25/-	54	36.00
3.	Rs. 26/- - Rs. 50/-	8	5.33
4.	Rs. 51/- - Rs. 100/-	11	6.66
5.	Above Rs. 100/-	18	12.00
	Total	150	100.00

From this table it is known that in majority of the SHGs about 39%, less than Rs. 10/- is fixed per member, 36 percent of the SHGs fix the minimum amount of savings at Rs. 11/- to Rs. 25/-, 5.33% of them fix it at Rs. 26/- to Rs. 50/-, 6.66 percent of them fix it at Rs. 51/- to Rs. 100/- and 12 percent of them fix it at above Rs. 100/-.

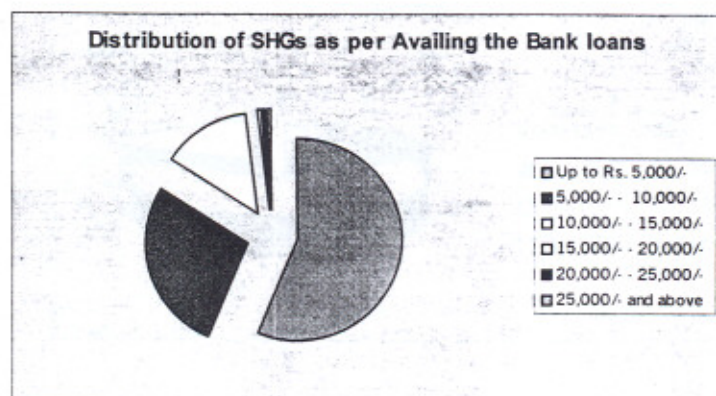
2.18 BANK LOANS AND SHGs

Under the SHG linkage programme, the members of the SHGs can avail loans from the banks. There are two ways of extending credit by a bank either directly to SHG or through bulk lending to Voluntary Agencies / NGOs for on-lending to the group. Table 2.18 explains the amount of bank loans appropriated by different SHGs.

TABLE – 2.18
LOANS AVAILED BY THE SHGs

Sl. No.	Range	No. of SHGs	Percentage
1.	Up to Rs. 5,000/-	84	56.00
2.	5,000/- - 10,000/-	42	28.00
3.	10,000/- - 15,000/-	21	14.00

4.	15,000/- - 20,000/-	1	0.66
5.	20,000/- - 25,000/-	1	0.66
6.	25,000/- and above	1	0.66
	Total	150	100.00



As per this table, only 3 percent of all the SHGs avail higher amount of bank credit. Among these, 1% of them have availed 15,000/- - 20,000/-, 1% of these have availed loans to the extent of Rs. 20,000/- - 25,000/- and 1% have availed more than Rs 25,000/- of loans. Maximum proportion of the SHGs about 56% of them have availed loans up to Rs. 5,000/-, 28 percent of them have availed loans to the extent of Rs. 5,000/- - Rs. 10,000/- and 14 percent of these have availed loans to the extent of Rs. 10,000/- - Rs. 15,000/-.

2.19 INCOME GENERATION OF THE GROUP MEMBERS

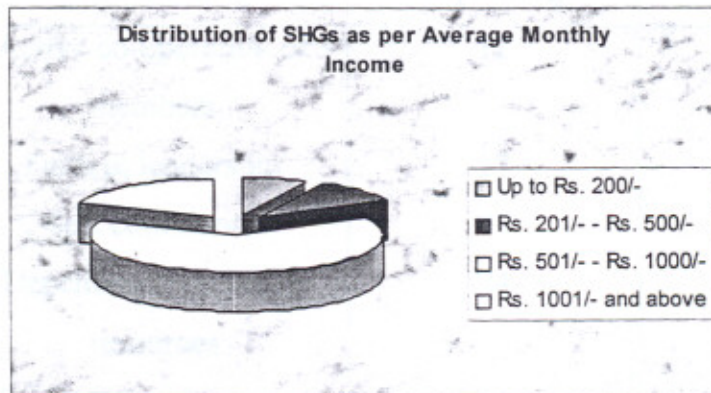
The average monthly income of all the members in the sample SHGs has been explained in table 2.19.

TABLE – 2.19

DISTRIBUTION OF SHGs AS PER AVERAGE MONTHLE INCOME

Sl. No.	Average income generated	No. of SHGs	Percentage
1.	Up to Rs. 200/-	11	7.33
2.	Rs. 201/- - Rs. 500/-	16	10.66

3.	Rs. 501/- - Rs. 1000/-	93	66.00
4.	Rs. 1001/- and above	30	20.00
	Total	150	100.00



The distribution of SHGs as per the average monthly income of the members shows that in about 66 percent of the SHGs, the average monthly income happens at a range of Rs. 501/- Rs. 1000/-. However, 20 percent of the SHG members report in at Rs. 1000/- and above, about 11 percent of the SHGs report it at Rs. 201/- Rs. 501/- and only 7 percent of them are having with the monthly average percept income it at below Rs. 200/-.

2.20 GROUP SUSTAINABILITY

Sustainability of the group is influenced by a number of variables. The different factors, which influence group sustainability, include active co-operation of group members, faith in leadership, self-confidence, dependence on group resources, smooth functioning of the group and disturbance in the functioning of the group. All these factors influencing group sustainability has been represented in table 2.20.

TABLE – 2.20

FACTORS INFLUENCING GROUP SUSTAINABILITY

Sl. No.	Factors affecting sustainability	No. of SHGs reporting	Percentage
1.	Active co-operation of members	12	8.0
2.	Faith in leadership	17	11.33
3.	Self confidence	25	16.66
4.	Dependence on group resources	24	16.00
5.	Smooth functioning of the group	51	34.00
6.	Discipline among the group members	21	14.00
	Total	150	100.00

Majority of SHGs about 34 percent hold the views that smooth functioning of the group immensely influence the sustainability of the group. Besides, the factors like self confidence of the members (16.66 percent) dependence on group resources (16.00 percent), discipline among the members (14.00 percent), faith in group leadership (11.33 percent) and active co-operation of group members (8.0 percent) are also the important contributing factors influencing group sustainability.

2.21 WELFARE ACTIVITIES OF SHGs

Besides, promoting welfare among the members, sometimes, it is also reported that more or less few SHGs are engaged in spreading the social welfare. The various means of influencing social welfare have been summarized in table 2.21.

TABLE – 2.21

WELFARE ACTIVITIES UNDERTAKEN BY THE GROUP

Sl. No.	Welfare Activities	No. of SHGs reporting	Percentage
1.	Spread of Education	11	7.33
2.	Provision of health and hygiene	10	6.66
3.	Running Balwadies	1	0.66
4.	Promotion of environment	43	28.66
5.	Vaccination camps / health camps	3	2.00
6.	Awareness campaigning	2	1.33
7.	Eradication of social atrocity	7	4.66
8.	Abolition of liquor habits	6	4.00
9.	Economic growth	18	12.00
10.	Welfare activities never undertaken	49	39.66
	Total	150	100.00

From among the SHGs studied, it is reported that about 33% of the SHGs never undertake any social welfare promoting activity. The rest 67 percent adopt different social welfare promoting measures which include spread of education (7.33%), provision of health and hygiene (6.66%), running balwadies (0.66%), environmental promotion (28.66%), vaccination camps / health camps (2.00%), awareness campaigning (1.33%), eradication of social atrocity (4.66%), abolition of liquor habits (4.00%), economic growth (12%).

222 SOCIO-ECONOMIC IMPACT OF SHGs AMONG ITS MEMBERS

Due to the group activities, there happens to be some changes in the socio economic sphere of the members. The proportion of SHGs pursuing different forms of such change among its members has been generalized in table 2.22.

TABLE – 2.22

DIFFERENT SOCIO-ECONOMIC CHANGES OF ITS MEMBERS DUE TO SHGs

Sl. No.	Indicators of socio-economic change	No. of SHGs	Percentage
1.	Development of traditional skill	9	6.00
2.	Acquiring new skill	9	6.00
3.	Increasing man- day's employment.	22	14.66
4.	Better job opportunities	2	1.33
5.	Additional income generation	56	37.33
6.	Increase in literacy	13	8.66
7.	Improvement in the standard of living	11	7.33
8.	Better status of women in the family	16	10.66
9.	Awareness on health and hygiene	8	5.33
10.	Better social status	4	1.33
	Total	150	100.00

The changes in the socio-economic conditions of its members have been expressed in terms of its different indicators. The different indicators of socio-economic change include development of traditional skill (6.0%), acquiring new skill (6.0%), increase in the man day's employment (14.66%), better job opportunities (1.33%), additional income generation (37.33%), increase in literacy (8.66%), improvement in the standard of living (7.33%), better status of woman in the family (10.66%), awareness on health and hygiene (5.33%) and better social status (1.33%).

2.23 REASONS FOR THE FORMATION OF SHGs

The various reasons for the formation of SHGs have been explained in table 2.23.

TABLE – 2.23
REASONS FOR THE FORMATION OF SHGs

Sl.No.	Different Reasons	No. of SHGs	Percentage
1.	Social Factors	6	4.0
2.	Economic Factors	66	44.0
3.	Upgradation of traditional occupations	26	17.33
4.	Homogenous Factor	10	6.00
5.	Debt burden	6	4.0
6.	Unemployment	9	19.33
7.	Leisure utilisation	7	4.66
	Total	150	100.00

The various reasons for the formation of SHG include social factors (4.0%), economic factors (44.0%), and upgradation of traditional skill (17.33%), homogeneous factors (16.0 %), debt burden (4.0%), unemployment (19.33%) and leisure utilisation (4.66%).

Chapter 3

CHAPTER - 3

SOCIO ECONOMIC IMPACT OF WOMEN SHGs ON ITS MEMBERS

As a result of women's empowerment, women have entered the real world for the purpose of making their own decisions, saving and managing their money, etc. They have also started to take an active part in various social and economic activities. The role of women in all spheres and through various in the development of social, economic and cultural life of the community has been significantly enhanced. The role of SHGs is highlighted as follows:

Chapter - 3

OCCUPATIONAL

In order to assess the occupational changes of the members due to SHGs, we have tried to find out their principal occupations before SHG and after SHG. The number of members related with the occupation during before and after SHG is shown explained in respect to the percentage change. This is shown in the following table (Table - 31).

TABLE - 31
OCCUPATIONAL CHANGES OF THE MEMBERS DUE TO SHG

Occupation	Number of Members respectively		
	Principal occupation		
	Before SHG	After SHG	Percentage Change
Farming	62	42	-25
Ag. work	62	41	-24
Animal Husbandry	17	25	29.54
Others	71	58	-18.31
Change of SHG	112	126	11.2

CHAPTER - 3

SOCIO ECONOMIC IMPACT OF WOMEN SHGs ON ITS MEMBERS

As it is well known that the Self-Help Group disburses micro credit to the rural women for the purpose of making them enterprising women and encouraging them to enter into entrepreneurial activities. SHG tries to enhance the equality of status of women members by the way of making them as participants and decision makers in the democratic social, economic and cultural sphere of life. This part of our report evaluates the socio-economic impact of SHG on its members.

3.1 OCCUPATIONAL CHANGE

In order to assess the occupational changes of the members due to SHG, they have been asked about their principal occupation before SHG and after SHG. The number of members related with each occupation during SHG and before SHG has been explained by calculating the percentage change. Table 3.1 analyses the occupational changes of the members due to SHG.

TABLE - 3.1
OCCUPATIONAL CHANGES OF THE MEMBERS DUE TO SHG

Sl. No.	Occupation	Number of Members reporting Principal Occupation		
		Before SHG	After SHG	Percentage Charge
1.	Framing	68	42	-6.17
2.	Ag. wage	61	11	-18.03
3.	Animal Husbandry	19	26	36.84
4.	Dairy	21	53	152.38
5.	Collection of MFP	48	54	12.5

6.	Small scale industry and cottage industry	4	15	275.0
7.	Petty trade	15	69	360.0
8.	Non-ag. labour	62	28	-45.16
9.	Salary	2	2	0
	TOTAL	300	300	

As per the analysis, it is found that except farming, agriculture wage and non-agriculture labour, in all other main occupations there has been a positive change in the number of people. The percentage change in farming, ag labour and non-ag labour stands at 6.17%, -18.03% and -45.16% respectively. On the contrary, the percentage change in the occupational patterns like animal husbandry, diary, collection of MFP, small scale industry / cottage industry and petty trades happen to be 36.84%, 152.38%, 12.5%, 275.0%, 360.0% respectively. However, the main occupation among salary earners even after SHG has remained unchanged.

GROUP ENTRY FEE

Group Entry Fee is compulsory for every member in order to be associated with any SHG. Different groups fix it at different amounts. Each individual respondent has been asked about this type of payment as it is done by them. Table 3.2 explains the distribution of members according to the Group Entry Fee.

TABLE - 3.2

DISTRIBUTION OF MEMBERS ACCORDING TO GROUP ENTRY FEE

Sl. No.	Amount of Group Entry Fee	No. of SHG Members	Percentage
1.	Upto Rs. 5/-	48	16.0
2.	Rs. 5/- - Rs. 10/-	52	17.33
3.	Rs. 10/- - Rs. 20/-	135	45.00
4.	Rs. 20/- and above	65	21.66
	TOTAL	300	100.00

Group Entry Fee is fixed at Rs. 10/- - Rs. 20/- in maximum number of SHGs (45%) followed by Rs. 20/- and above (21.66%), Rs. 5/- - Rs. 10/- (17.33%) and upto Rs. 5/- (16.0%).

3.3 OPINION OF THE MEMBERS REGARDING THE FUNCTIONING OF SHG

The opinion of members about the functioning of their respective SHGs has been interpreted under the heads as very good, good, satisfactory and unsatisfactory. The different opinions have been shown in table 3.3.

TABLE - 3.3

Sl. No.	Opinion of the members	No of members	Percentage
1.	Very good	85	28.33
2.	Good	38	12.66
3.	Satisfactory	158	52.66
4.	Unsatisfactory	19	6.33
	TOTAL	300	100.00

As maximum as 53 percent of the members hold the view that the functioning of their SHGs is satisfactory, about 28 percent say that the performance of their SHGs is good. On the other hand, about 13 percent of them say only good and a minimum number of them about 6 percent say unsatisfactory.

3.4 PROBLEMS OF THE MEMBERS

Though, the problems faced by the SHGs are collective, but at the same time the individual members come across different problems in the course of their group activity. Thus, the different members have been asked about their respective problems. Table 3.4 points out different problems faced by the group.

TABLE – 3.4
DISTRIBUTION OF MEMBERS ACCORDING TO THEIR
RESPECTIVE PROBLEMS IN THE GROUP

Sl. No	Type of Problems	No. of Members	Percentage
1.	Discrimination in getting loan	70	23.33
2.	Lack of support of family members.	18	6.0
3.	Problem of periodic payment	73	24.33
4.	Suspiciousness of village people	7	2.33
5.	Lack of education	32	10.66
6.	Meager income per day	61	20.33
7.	Marketing problem	22	7.33
8.	Problem relating to choice of undertaking business	17	5.66
	TOTAL	300	100.00

Out of the total members studied, maximum percentage of them about 24 percent encounter the problems relating to the periodic payment followed by discrimination in getting loan (23.33%), meager income per day (20.33%) meager income per day (20.33%), lack of education (10.0%), marketing problem (7.33%), lack of support of family members (6.0%) and suspiciousness of village people 2.33%).

3.5 SOURCE OF COMPULSORY SAVINGS

As per the principle of SHG, compulsory saving on behalf of every member is an essential component of SHG scheme. Each member has to pay compulsory savings periodically. Our study seeks to examine the source of compulsory saving as is done by every member. The source of compulsory savings has been highlighted in table 3.5

TABLE – 3.5
DISTRIBUTION OF SHG MEMBERS ACCORDING TO THE
SOURCE OF COMPULSORY SAVINGS

Sl No.	Source of compulsory savings	No. of SHG members	Percentage
1.	With the knowledge of husband from other sources	22	7.33
2.	Partial knowledge of husband	65	21.66
3.	Family Income	102	34.00
4.	Purely from husband's income	32	10.66
5.	Own Income	79	26.32
	TOTAL	300	100.00

The different sources towards contributing the compulsory savings comprise of family income (34.00%), Own income (26.32%), Partial knowledge of husband (21.66%), husband's income (10.66%), other sources with the knowledge of the husband (7.33%).

3.6 LOAN COMPONENT OF SHG

Besides mobilising savings from the members, SHGs from its revolving fund also grant very short-term loans with a small amount to its members. With a view to evaluate SHGs with respect to their credit behaviour the different components of loan has been analyzed in table 3.6. The different components of loan comprise of the percentage of members availing SHG loan, amount of loan received by the members, Time gap of the submission of application form and sanction of loan & the time gap between sanction and disbursement of loan.

TABLE – 3.6
COMPONENTS OF LOAN

Sl. No.	Components of loan	Number of members	Percentage
1.	Loan availed		
(i)	Yes	163	54.33
(ii)	No	137	45.66
	TOTAL	300	100.0
2.	Amount of Loan received		
(i)	1000-2000	32	19.63
(ii)	2000-3000	41	25.15
(iii)	3000-4000	57	34.96
(iv)	4000-5000	33	20.24
	Total	163	100.00
3.	Time gap of submission of application & sanction		
(i)	0-10 days	57	34.96
(ii)	10-20 days	42	25.76
(iii)	20-30 days	29	17.79

(iv)	30-45 days	19	11.65
(v)	45 days or above	16	9.81
	Total	163	100.00
4.	Time gap between Sanction and disbursement		
(i)	0-20 days	107	65.64
(ii)	20-40 days	31	19.01
(iii)	40-60 days	19	11.65
(iv)	60 days and above	6	3.68
	Total	163	100.00

As it is pointed out in the table that only 54.33 percent of the total members have availed loan and the rest, about 46 percent of the members have not availed any loan from their respective SHGs.

From among the members who have availed loans from SHGs, it is evident that maximum proportion of members about 35 percent have availed loans to the extent of Rs. 3000/- Rs. 4000/-, about 25 percent have availed loans within a range of Rs. 2000/- to Rs. 3000/-, about 20 percent have received loans upto Rs. 4000/- - Rs. 5000/- and about 20 percent have received the meager amount of loans ranging between Rs. 1000/- to Rs. 2000/-.

The time gap between the submission of application form and sanction of credit has also been analysed. It is noticed that maximum number of applicants about 35 percent have availed loans within 35 days, 26 percent have availed loans within 10-20 days; about 18 percent have availed the loan within 20-30 days; 12 percent of them have received the loan within a range of 30-45 days and about 10 percent of them have availed it after 45 days and above.

In addition to these, the loan component as discussed also takes into consideration, the time gap between the sanction and disbursement of credit. It is

evident from the table that this gap remains only 0-20 day for as maximum as 66% of the applicants followed by 20-40 day (19.0%), 40-60 days (11.65%) and 60 days and above (3.68%).

3.7 TYPE OF REPAYMENT

The type of repayment of loans of the members has been explained in terms of regular repayment, irregular repayment, fixed amount on regular basis, amount at their convenience and no repayments made. This repayment behaviour of the members has been analyzed in the table 3.7.

TABLE – 3.7
DISTRIBUTION OF MEMBERS ACCORDING
TO THE TYPE OF REPAYMENT

Sl. No.	Type of repayment	No. of members	Percentage
1.	Regular repayment	57	19.0
2.	Irregular repayment	138	46.0
3.	Fixed amount on regular basis	43	14.33
4.	Amount at their convenience	21	7.0
5.	No repayment	41	13.66
	TOTAL	300	100.00

It is found that 19 percent of the members undertake regular repayment. Further 46 percent of them make irregular repayments and about 14 percent of them not at all repay the amount borrowed from their respective SHGs. However, about 15 percent of them repay the fixed amount of money at regular basis and 7 percent of them repay the amount at their convenience.

3.8 PURPOSE OF LOAN

The purpose of taking loan from the SHG has been explained in the table 3.8.

TABLE – 3.8
DISTRIBUTION OF MEMBERS ACCORDING
TO THE PURPOSE OF TAKING LOAN

Sl. No.	Purpose of taking loan	Number of member	Percentage
1.	For undertaking business	48	16.0
2.	Household consumption purpose	41	13.66
3.	Repayment of old debt	132	44.00
4.	Education of Children	12	4.0
5.	To meet health expenses	36	12.0
6.	Other expenditure	31	10.33
	TOTAL	300	100.00

As per this table, the different purposes of loan include for undertaking business (16.0%), household consumption purpose (14.0%), repayment of old debts (44.0%), education of children (4.0%), health expenditure (12%) and others (11%).

3.9 CHANGE IN INCOME

The income accrued from different activities due to SHG programme, has undergone some changes. The change in annual income from different activities has been pointed out in table 3.9.

TABLE - 3.9
CHANGE IN AVERAGE ANNUAL INCOME

Sl. No.	Source of Income	Average annual Income before Joining into SHG	Average income after SHG	Increase or decrease
1	Farming	2000	2700	+700
2	Agriculture labour	3000	2000	-1000
3	Non-ag. labour	4000	5200	+1200
4	Animal husbandry	1500	2200	+700
5	Collection of MFP	3500	5000	+1500
6	Household Industry	7000	12000	+5000
7	Petty trade/business	5000	7000	+2000
8	SHG scheme	-	1200	+1200
9	Salary	-	-	-
10	Other sources	5000	8900	+3900

It is found that, except agricultural labour in all activities, there has been some positive change in income. The average annual income from ag labour comes down from Rs. 3000 to Rs. 2000, due to SHG programme. Highest increase is marked in the sphere of household industry and lowest rise in average annual income is noticed in the farming activities.

3.10 MEMBERS' ADDITIONAL INCOME

The additional income generated due to SHG Programme has been shown in Table 3.10.

Table 3.10
Additional Annual Income

Sl No.	Additional Income Per Annum	No. of members reporting	Percentage
1	Up to Rs. 500	37	12.33
2	501 – 1000	80	26.66
3	1001 – 2000	87	29.00
4	2001 – 3000	21	7.00
5	3001 – 4000	42	14.00
6	4001 – 5000	7	2.33
7	5000 – 10000	18	6.00
8	10000 and above	8	2.66
	TOTAL	300	100.00

As it is observed from the above table, due to SHG about 89 Percent of the members have increased their income to the extent of Rs. 4000/- and only their annual 11 percent of them have raised income with in Rs 4000/- to Rs. 10,000/- and above. However, maximum proportion of them have increased their income with in the range of Rs. 1000/- Rs 2001/- and minimum proportion of them have raised income within the range of Rs 4000 to Rs. 5000.

3.II ACQUISITION OF HOUSE HOLD DURABLE

Acquisition of household durable has been explained in table 4.11

TABLE - 3.11

DISTRIBUTION OF MEMBERS AS PER THE ACQUISITION OF HOUSEHOLD DURABLE

SI No.	Type of asset purchased	No of members	Percentage
1.	Land	3	3.89
2.	Agriculture implements	6	7.79
3.	Bicycle	12	4.0
4.	House	6	2.0
5.	Gold ornaments	13	4.33
6.	Radio/ Watches	25	8.33
7.	Other assets	12	4.00
	TOTAL	77	100.00

It is evident from this distribution that only 77 members at 300 members i.e. about 26 percent have acquired household durable in some form or others. The percentage share of different household durable assets as land (3.89%), agriculture implements (7.79%), bicycle (4.0), house (2.0%), gold ornaments (4.33%), radio and watches (8.33%) and other assets (4.0%). In the list of durable assets maximum number of members purchases radio/watch.

3.12 Change in Social aspects

Due to SHG programme, the change in social aspects of the members has been explained in terms of food habit, clothing, housing, education of children, health consciousness, sanitation and drinking water. The different social impacts of SHG have been explained in table 3.12.

TABLE – 3.12

Sl No.	Social impacts	No of members reporting 'Yes'	Percentage
1.	Food habit	36	12.0
2.	Clothing	12	4.0
3.	Housing	15	5.0
4.	Education of children	41	13.66
5.	Health consciousness	12	4.0
6.	Sanitation	15	5.0
7.	Drinking water	20	6.66

SHG is not only the mean to raise the economic status of the members but also it has profound implications in the social status of the members. The different social impacts of SHG include changes in the food habit (12.0%), clothing (4.0%), housing (5.0%), and education of children (13.66%), health consciousness (4.0%), sanitation (5.0%) and drinking water (6.66%).

3.13 OTHER IMPACTS OF SHG

Besides the social impact of SHG, the other impacts of SHG have been illustrated in table 3.13.

TABLE – 3.13
OTHER IMPACTS OF SHG

Sl no.	Other impacts	No of members	Percentage
1	Change in the traditional culture	51	17.0
2	Observation of community functions	22	7.33
3	Leadership quality development	15	5.0
4	Gaining self confidence	55	18.33
5	Generating income independently	67	22.33
6	Skill upgradation	34	11.33
7	Financial self sufficiency	25	8.33
8	Social status	31	10.33
	TOTAL	300	100.00

The other impacts of SHG include the change in the traditional culture (17%), extra observation of community function (7.33%), leadership quality development (5.0%), gaining self confidence (18.33%), generating income independently (22.33%), upgradation of skill (11.33%), financial self sufficiency (8.33%) and (11.33%), and increased social status (4.0%).

3.14 MAJOR PROBLEMS OF SHGs

Though SHG is always committed to bring about some positive strides in the socio-economic aspects of its members, still in the day-to-day activities its members encounter multiple problems, which are enlisted in table 3.14

TABLE – 3.14

Sl no.	Major problems	Number of SHG members	Percentage
1.	Lack of co-ordination among group members	55	18.33
2.	Passive role of the facilitator	23	7.66
3.	Insufficient credit	125	41.66
4.	Gradual loss of interest	25	8.33
5.	Lack of education	25	8.33
6.	Inadequate mobilisation of savings	36	12.0
7.	Dominance of few members	11	3.66
	TOTAL	300	100.00

The major problems of the SHG members include lack of coordination among group members (18.33%), passive role of the facilitator (7.66%), insufficient credit (41.66%), gradual loss of interest (8.33%), lack of education (8.33%), inadequate mobilisation of savings (12.0%), dominance of few members (3.66%).

CHAPTER 4

PROGRESS OF THE GROUP

Chapter - 4

CHAPTER - 4

FINDINGS OF THE STUDY

Like any other state, in Orissa also SHGs are organised by some SHPI (Self-Help Promoting Institution) such as Government, co-operatives, commercial banks, RRBs, NGOs and other voluntary organisation. Analyzing the primary data obtained from a list of 150 women SHGs working in 6 districts and 300 women members from these SHGs, following findings are outlined.

- 4.1 Majority of the SHGs is promoted by different local NGOs and their share stands at about 45 percent. Besides NGOs, the percentage share of women SHGs formed under DWACRA scheme (16.66%), Indira Mahila Yojana (10.0%) commercial banks (5.33%), Regional Rural Banks (10.0%), district administration (16.66%), Nehru Yuva Kendra (10.0%) and SGSY (1.33%).
- 4.2 An analysis about the group size shows that majority of the SHGs, about 41 percent of the SHGs are having with the members ranging from 10-15. Less than 10 members are noticed in about 35 percent of SHGs. 15-25 members are reported in 18 percent of SHGs and above 75 members are reported in 15 percent of the SHGs.
- 4.3 It has been observed that the members, besides the usual SHG activities, are also related with other occupations for strengthening their economic base. About 48 percent of the SHG members are elated with double occupation, 40 percent of the members are reported with single occupations and about 13 percent of SHGs report that their members are having with more than two occupations.
- 4.4 A due analysis of the present status of the group shows that only about 23 percent of all the women-led SHGs are well functioning. About 24 percent of these are average, about 32 percent of these are idle groups and 22 percent are nonfunctioning groups.

- 4.5 The awareness of the members about SHG activities has been explained and it has been observed that 42 percent of the members are fully aware of SHG programmes, 50 percent of them are partly aware and 9 percent of them are non-aware of SHG activities.
- 4.6 An explanation as regards to the frequency of holding meetings shows that out of the total SHGs studied, the percentage of SHGs undertake monthly meetings (31%), quarterly meeting (18%) and weekly (5.33%). Besides about 23 percent of the SHGs undertake meetings rarely, about 18 percent hold meetings very frequently, 5 percent of them hold meetings whenever required and 8 percent of them never undertake meetings.
- 4.7 With regard to the attendance of group members at the meeting points out that 50 percent attendance is reported among maximum number of members, less than 50 percent attendance is reported among 20 percent of the members, 75 percent attendance is reported among 14 percent of the members. Full attendance is reported among 11 percent of the case and just quorum is observed in the case of 16 percent of the respondents.
- 4.8 The different matter which are discussed in the group meeting include functioning of the group in general (10.66%), working of the scheme (4.0%), repayment of loan (10.00%), procurement of raw materials (22.00%), marketing of the produce (17.33%), savings (0.66%), future programmes (7.33%), strengthening of the group (4.66%), general discussing (8.00%).
- 4.9 An analysis of the type of records maintained by different SHGs shows that pass books / joint pass books are maintained by all the SHGs, 94% of the SHGs maintain savings register and about 69% of SHGs maintain cash book as well as attendance-cum-minute book. Membership register is maintained by about 34 percent of SHGs. However, minimum number of SHGs about a percent of them maintain visiting books and only 8 percent of them maintain only loan ledger.

- 4.10 In a majority of SHGs any member of the SHG furnishes the task of record keeping. Persons from the facilitating agency maintain records in 27% of SHGs. Treasures are responsible to maintain records in 18 percent of SHGs. In about 10 percent of the SHGs group organiser maintains the records. Further hired personals are used for maintaining the records in about 11 percent of SHGs.
- 4.11 A discussion about the selection procedure of group leaders points out that about 34 percent of the SHGs select their group leader democratically. In about 19 percent of the SHGs, group leader and are nominated by village leaders and in about 48 percent of SHGs, group leaders are nominated by SHG promoting agency.
- 4.12 An analysis about the level of participation of the group members' in-group activities points out that about 58 percent of the members do have partly participation in the group meetings. Fully participation is reported in 26 percent of the SHGs and non- participation is reported in 18 percent of the SHGs.
- 4.13 As regards to the procedure of framing policy is concerned, it is found that in maximum number of SHGs (about 35 percent), policies are adopted with the imposition of group leader. Imposition of policy by the sponsoring authority is reported in about 21 percent of SHGs. However, 20 percent of SHGs adopt policies quite democratically with the participation of all members and in about 15 percent of SHGs, policies are adopted with the concert of some influential members. Non-involvement of all the members in the matters relating to policy adoption is noticed in about 7 percent of SHGs. Imposition of policy by the Govt. is noticed in 2 percent of SHGs.
- 4.14 It is found that 48 percent of the SHGs don't have proper co-ordination and they do it very much rarely, 30 percent of them do it at regular intervals and 22 percent of them do it periodically.

- 4.15 Majority of SHGs about 55 percent collect savings from the group members at monthly intervals and only 2 percent of them collect savings on the basis of daily interval. However, the number of SHGs undertaking savings at weekly intervals (3.33%), quarterly intervals (4.0%), half yearly (2.66%) and yearly (3.33%). Again 8 percent of the SHGs mobilise savings as and when possible. About 15 percent of them never mobilise savings.
- 4.16 So far as the prescribed minimum amount of saving is concerned, it is observed that in majority of SHGs about 39 percent, less than Rs. 10/- per member is fixed, 36 percent of the SHGs fix the minimum amount of savings at Rs. 11/- to Rs. 25/-, 5.33% of them fix it at Rs. 26/- to Rs. 50/-, 6.66% of them fix it at RS. 51/- to Rs. 100/- and 12 percent of them fix it at above Rs. 100/-.
- 4.17 Higher amount of bank loans have been received by a minimum proportion of SHGs and lower amount of bank loans up to Rs. 5000/- have been obtained by a significantly higher number of SHGs.
- 4.18 The average monthly income of the members varies between Rs. 200/- to Rs. 1000/-. However, significantly lower number of members is found with an average income above Rs. 1000/-.
- 4.19 It is found that the smooth functioning of the group immensely influences the sustainability of the group. Besides, the factors like self- confidence of the members, dependence on group resources, discipline among the members, faith in-group leadership and active co-operation of group members also contribute the sustainability of the group.
- 4.20 Majorities of SHGs undertake different welfare activities like spread of education, provision of health and hygiene, environmental promotion, health camps, awareness campaigning, eradication of social atrocity and abolition of liquor habits.

- 4.21 The socio-economic status of the members undergoes some dramatic changes due to SHG. The different dimensions of socio economic change include development of traditional skill, acquiring new skill, increase in the man-days employment, additional income, improvement in the standard of living, better status of women in the family.
- 4.22 The various reasons for the formation of SHG include social factors, economic factors, upgradation of traditional occupation, debt burden, unemployment, leisure utilisation etc.
- 4.23 Group-entry fee with varying amount is found in all the SHGs.
- 4.24 So far as the functioning of different SHGs is concerned majority of the SHGs is found satisfactory and minimum proportion of SHGs are found with unsatisfactory.
- 4.25 The different sources towards the compulsory savings comprise of family income, own income, husband's income and other income, income with the knowledge of the husband etc.
- 4.26 About 45 percent of the SHG members are found with not availing any loan from their respective SHGs.
- 4.27 The loan amount availed by the members varies less than Rs. 1000/- to Rs. 4000/-.
- 4.28 The time gap between the application of loan and sanction of loan varies between 4 days to 60 days.
- 4.29 The time gap between sanction of loans and disbursement of loans varies between 5 days to 60 days.
- 4.30 About 19 percent of the members make regular repayments and 46 percent of the members make irregular repayments. However, no repayment is found with respect to 14 percent of SHGs.
- 4.31 The different purposes for which SHG members take loan include to undertaking business, household consumption purpose, education of children, health expenditure etc.

- 4.32 It is found that except agriculture labour, in all other activities like farming, non-ag. labour, animal husbandry, collection of MFP, household industry, petty trade / business etc. there has been some positive change in income.
- 4.33 Increased incomes of the members are sometimes utilised for the purchase of some household durable assets like land, ag. implements, bicycle, house, gold ornaments, radio / watches etc.
- 4.34 The changes in the social aspects of the members is reflected in the changes in the activities like food habit, clothing, housing, education of children, health consciousness, sanitation and drinking water.
- 4.35 The other changes among the members due to SHG is reflected in the changes in the traditional culture, increased observation of community functions, improvement in the quality of leadership and skill upgradation.
- 4.36 The major problems of the SHGs include lack of co-ordination among group members, passive role of the facilitator, insufficient credit, gradual loss of interest, lack of education, inadequate mobilisation of savings etc.

CHAPTER 5

CHAPTER 5

Chapter – 5

CHAPTER 5

SUMMARY & SUGGESTIONS

A Self-Help Group formed with the active involvement of women as its members is commonly called women self Help Group. In recent years, for the socio economic upliftment and empowerment of women, mainly SHGs are being formed and encouraged at various levels starting from the Government to NGOs.

Any government or non-Govt. organisation or charity institution, which provides initial enthusiasm and encouragement to promote a self-help group is called a self Help Promoting Institution (SHPI). The relationship indeed exists between a SHPI and SHG counts more for the sustainability of the group. SHG due to its commendable objectives should ensure sustainability. The introductory chapter incorporated in this study report truly highlights the concept of SHG, emergence of women SHGs in the country as well as Orissa, basic features of SHGs, management of SHGs, principles for the management of SHGs, different Self Help Promoting Institutions in Orissa etc.

After analysing the SHGs from a wider perspective, the need for undertaking this study has been stated clearly. The study proceeds keeping in view the important objectives as laid down. This evaluation type of study takes into consideration 150 women SHGs working in 6 different districts and 300 women members, 2 from each SHGs. The detailed methodology has been highlighted in this chapter.

Chapter-2 attempts at evaluating the women SHGs operating in Orissa. While doing so, the important determinants like the size of the membership, socio-economic profile of different SHGs, present status of the group, meeting procedure, savings and credit procedure, record maintenance procedure, selection of group leader and other functions, level of involvement of the members in group activities, type of policy adopted, income generating activities

of the members, welfare activities of SHGs and many other socio-economic dimensions etc have been discussed quite systematically.

The socio-economic impact of women SHGs on its members has been analysed in *Chapter – 4* and the major findings of the study have been outlined in *Chapter – 5*. From the findings, it has been inferred that sustainability of SHG and the activities encouraged by SHGs for a sustainable source of getting income is found enormously problematic. In order to provide better efficiency to SHGs and better prospects to members through SHGs, following suggestions have been recommended.

1. NEED FOR BORROWER EDUCATION AND MOTIVATION

The borrowers, more accurately the members of the group who have taken loans, they should be adequately educated and motivated for the better utilisation of money. While utilising the loan funds, they should be extra conscious in connection with the purpose of receiving the loan amount and the motto of SHG programme.

2. REGULARITY IN MEETING : Attendance & Participation

Regularity in meeting, attendance and participation happen to be the positive indicators and for the better viability and strength of the group. Every member should be encouraged for regularly attending the meetings. Attendance in the meeting should adequately be taken care of. Besides, members should be encouraged to effectively participate in the decision making process of the group.

3. DUE IMPORTANCE TO TRAINING

Training promotes efficiency among the group members. Thus, the facilitators should provide training to the SHG members as regards to the better utilisation of funds, identification about the feasibility of a business, account maintaining procedure etc. There should be periodical training for literacy expansion and skill upgradation.

4. IMPROVEMENT IN LITERACY STANDARDS

It has been found that majority of the members in the group are illiterates. Many-a-times illiteracy stands on the way of the progress of SHGs. Due to illiteracy the members are unable to maintain and verify records, recognise the importance of SHG and feel doubted about the efficiency of SHG for the socio-economic betterment. Thus, the members should be provided with some type of non-formal education for raising their literacy standard.

5. MORE ATTENTION TO RAISE THE INCOME OF THE MEMBERS

The SHPIs along with the functionaries of the respective SHGs should provide adequate attention about all possible behaviour of any member. They should ensure proper utilisation of funds by the borrowers right decision for business, product and marketing. If all these things happen to be positive, then there can be improvement in the level of earning of the individual member.

6. CONTINUITY IN SAVINGS

It has been observed that few members discontinue their compulsory savings after few months or so. Actually, this hampers the progress of SHG. Thus, in each possible way, the members should be encouraged to continue their savings and to remain in the group.

7. EFFECTIVE LEADERSHIP

Effective leadership is highly an essential component for the viability and sustainability of the group. Thus, a litigation free, literate and influenced member of the group with high degree of motivational ability should be selected as the group leader. While selecting the group leader, the SHPI with the consent of the members should be very much careful in doing so.

8. PROPER CO-ORDINATION

Actually different SHPIs promote SHGs in a given area as per their own fashion. Thus, duplication of efforts is not uncommon. In order to avoid it, there

should be a coordinating agency at the district level at least, whose primary task would be to allow one SHPI at a given geographical boundary.

9. HEALTH CARE & SANITATION

As the primary objective for the formation of SHG is not only economic upliftment, but also, social progress, thus, the members of the SHG should be provided with due knowledge as regards to health care and sanitation.

DISTRIBUTION OF THE SPECIES

No.	Species	No. of P.W.A. Sites	Total P.W.A. Sites
1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
	Total	10769	2173

Annexures

DISTRICT-WISE LIST OF DWACRA GROUPS

Sl. No	District	No. of DWACRA groups	No of SHGs availing credit from DWACRA fund
1.	Angul	149	0
2.	Balasore	429	0
3. *	Bargarh		43
4.	Bhadrak	127	110
5.	Balangir	924	37
6.	Boudh	184	3
7.	Cuttack	172	0
8.	Deogarh	330	0
9.	Dhenkanal	790	0
10.	Ganjam	256	307
11.	Gajapati	186	259
12.	Jagatsinghpur	147	0
13.	Jajpur	114	34
14.	Jharsuguda	118	136
15.	Kalahandi	867	0
16.	Kendrapara	862	3
17.	Keonjhar	418	0
18.	Khurda	232	230
19.	Koraput	414	12
20.	Malkangiri	291	32
21.	Mayurbhanj	434	253
22.	Nowapara	127	55
23.	Nawarangpur	269	7
24.	Nayagarh	234	45
25.	Phulbani	192	0
26.	Puri	198	425
27.	Rayagada	181	37
28.	Sambalpur	1093	59
29.	Sonepur	217	86
30.	Sundargarh	814	0
Total		10769	2172

DISTRICT-WISE LIST OF SHGS FORMED UNDER SGSY

Sl. No.	Districts	Number of SHGs formed under SGSY
1.	Angul	179
2.	Balasore	97
3.	Bargarh	332
4.	Bhadrak	185
5.	Balangir	103
6.	Boudh	146
7.	Cuttack	370
8.	Deogarh	4
9.	Dhenkanal	349
10.	Ganjam	285
11.	Gajapati	3379
12.	Jagatsinghpur	97
13.	Jajpur	274
14.	Jharsuguda	262
15.	Kalahandi	0
16.	Kendrapara	84
17.	Keonjhar	221
18.	Khurda	383
19.	Koraput	34
20.	Malkangir	127
21.	Mayurbhanj	793
22.	Nowapara	200
23.	Nawarangpur	252
24.	Nayagarh	230
25.	Phulbani	0
26.	Puri	1131
27.	Rayagada	96
28.	Sambalpur	167
29.	Sonepur	306
30.	Sundargarh	209
Total		10476

SELF HELP GROUPS
FORMED UNDER INDIRA MAHILA YOJANA

Sl. No.	Name of the District (1)	Name of the Project (2)	NGO identified (3)	No. of Homogenous groups formed (4)
1.	Kalahandi	1. M. Rampur	FARR	241
2.	Koraput	2. Narayanpatna	AWKURAN	50
3.	Nawarangpur	3. Nwarangpur	Rural Development Society	139
4.	Nuapada	4. Boden	Dharam	90
5.	Rayagada	5. Gudari	Jagaran	118
6.	Balangir	6. Saintala	G.M. Pathagar	10
	- do -	7. Belpada	- do -	104
TOTAL				752

**DISTRICT-WISE LIST OF SHGS FINANCED BY BANKS UNDER
LINKAGE PROGRAMME**

Sl. No.	Name of the District	Number
1.	Angul	22
2.	Balasore	79
3.	Bargarh	41
4.	Bhadrak	19
5.	Balangir	329
6.	Deogarh	9
7.	Dhenkanal	317
8.	Gajapati	55
9.	Ganjam	708
10.	Jajpur	2
11.	Jharsuguda	29
12.	Jagatsinghpur	1
13.	Kalahandi	566
14.	Kandhamal	147
15.	Kendrapara	12
16.	Keonjhar	382
17.	Khurda	101
18.	Koraput	97
19.	Mayurbhanj	162
20.	Nuapada	156
21.	Nayagarh	131
22.	Puri	115
23.	Rayagada	237
24.	Sambalpur	148
25.	Subarnapur	8
26.	Sundargarh	102
27.	Cuttack	15
28.	Malkangiri	13
29.	Nabarangpur	19
30.	Boudh	16
Total		4039

BANK-WISE VVV CLUBS
AND NO. OF SHGS FORMED BY THEM IN GANJAM DISTRICT.

Sl. No.	Bank wise VVV Clubs (VVVC)	No of SHGs formed	No of SHGs linked to the bank
1.	VVVC under Andhra Bank	26	Nil
2.	VVVC under Bank of Baroda	3	2
3.	VVVC under Indian Bank	2	2
4.	VVVC under Rusikulya Gramya Bank	7	Nil
Total		38	4

Sample Design

Sl. No.	Districts Selected	Name of the SHPI considered in Sampling Design	No of Women SHGs			
			SC	ST	General	Total
1.	Ganjam	1) Mahila Sanchayika Sangha (MASS) (5 from Berhampur Municipality)	5	-	20	25
2.	Gajapati	1) PREM (NGO)	-	2	10	12
		2) Gram Vikas (NGO)	-	3	10	13
3.	Phulbani	1) Samanwita (NGO)	-	5	5	10
		2) Nehru Yuva Kendra	-	-	15	15
4.	Rayagada	1) Panchabati Gramya Bank	-	-	10	10
		2) Commercial Bank	-	-	5	5
		3) Vikas Niketan (NGO)	-	5	5	10
5.	Kalahandi	1) Indira Mahila Yojana	3	2	10	15
		2) Kalahandi Gramya Bank	-	-	5	5
		3) SGSY	-	-	2	2
		4) Commercial Banks	-	-	3	3
6.	Keonjhar	1) DWACRA	-	5	20	25
Total			8	22	120	150