
Functioning of Meeting Process of SHGs in Haryana

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Abstract: Associated with microfinance approach, the Self Help Group movement plays an important role in socio and economic problems in rural India. Microfinance means provision of financial services at a small scale to the rural and urban poor including the self employed people. The present study is undertaken with the objective to understand the functioning of meetings process of SHGs in Haryana. For achieving the objectives, primary data were collected through a structured, non disguised questionnaire on random sampling basis from various self help groups in the study area. The study found that the main objectives of group meetings were collecting saving and discussing interloaning related issues. All respondents of the SHGs attended their meetings regularly. Majority of respondents were found to be regular in their contribution towards saving and receiving the loan from the groups.

Key Words: Microfinance, Self Help Groups, Finance, Sustainable Business, Sustainable Development.

Introduction

Microcredit is a component of microfinance in that it involves providing credit to the poor, but microfinance also involves additional non-credit financial services such as savings, insurance, pensions and payment services (Kabeer, 2005). Microfinance is the provision of financial services to low-income poor and very poor self-employed people (Otero, 1999) These financial services generally include savings and credit but can also include other financial services such as insurance and payment services (Ledgerwood,1999). Further, it is also defined as the attempt to improve access to small deposits and small loans for poor households neglected by banks (Schreiner and Colombetm 2001). Therefore, microfinance involves the provision of financial services such as savings, loans and insurance to poor people living in both urban and rural settings who are unable to obtain such services from the formal financial sector. In the literature, the terms microcredit and microfinance are often used interchangeably, but it is important to highlight the difference between them because both terms are often confused. microcredit refers to small loans, whereas microfinance is appropriate where Non Government Organizations and Micro Financial Institutions supplement the loans with other financial services such as savings, insurance, etc. (Mosley,1997). Associated with microfinance approach, the SHG movement has now been accepted by all countries of the world as an effective strategy for poverty alleviation. SHG is a small voluntary association of poor people preferably from the same socio - economic background. They come together for the purpose of solving their common problems through SHGs. They provide the benefits of economies of scale, cost effective alternative for different financial services, collective learning, democratic and participatory culture, affirm base and platform for dialogue and co-operation. The groups have been recommended to be informal and to keep themselves away from bureaucratic and corrupt practices, unnecessary administrative expenditure and profiteering constraints. Groups are expected to be homogeneous so that the members do not have conflicting interest and all the members can participate freely without any fear. There is however something beyond this. These groups are expected to foster true democratic culture where all the members participate actively by taking part in the debate and decision - making process which is possible only in small groups. After being formed, generally by External Agency, Group starts collecting a fixed amount from each member regularly. For about six months it only collects amount; no loan is given to any member. During this period the groups are expected to open a saving account with Financial Institutions

(FIs). After accumulating a reasonable amount of resources the group starts lending to its member for petty consumption needs. The repayment of the loan with interest and regular amount enlarge the working fund and increase the scope of lending. The groups are jointly liable to the bank for repayment. The joint liability, decision-making process and pressure at the group level are the most important aspects for the banks to do business with the poor, illiterate and informal groups. The demand for loan is for consumption, health, education, marriage, petty production and petty trade etc. A SHG can be all women group, all men group, or even a mixed group. However, it has been the experienced that women's groups perform better in all the important activities of SHG.

There are so many researchers around the world which had conducted their research on working of SHGs in the group based microfinance programs in India. Some of the researchers have concluded the group functions democratically with 2-3 office bearers elected by a consensus of the group. Two office bearers viz. the President and Secretary are essential, while a third office bearer i.e. a Treasurer is optional. Better to restrict the office bearers to just two- President and Secretary. Office bearers should rotate at least once in two years. Ideal rotation would be once every year, depending on availability of educated members to act as Secretary. Group meets periodically at fixed intervals for the following purpose: a) to discuss, reflect on and find solutions to socio-economic issues / problems of members, the group and of the community. b) to transact business. All members' attendance and active participation at meetings is essential. Decisions are taken at meetings by a consensus of the group and not by the President and Secretary alone. The President and Secretary manage the administration of group as per the bye-laws and group consensus and homogeneity in membership, democracy, transparency; co-operation, unity and mutual understanding in the group significantly influenced the successful working of SHGs (Anand, 2004; Purnima and Reddy, 2007 and Kumar and Raj, 2009). At the same time some other researchers found that there are several factors, such as freedom of participation, motivation, decision-making, group communication, leadership, trust, group homogeneity and empathy that play an important role in indicating the effectiveness of working which brings about group cohesion and better performance (Purnima and Reddy, 2007 and Saikumar and Hanisch, 2011). In this perspective, the present paper tried to examine the working of Self Help Groups in India with special reference to Jhajjar district of Haryana State.

Objective and Methodology

This article has analyzed the functions of meetings of SHGs to find out:

- (i) Timing of the meetings of SHGs
- (ii) Objectives of the meetings of SHGs
- (iii) Duration of the meetings of SHGs
- (iv) Venue of the meetings of SHGs
- (v) Receiving any notice regarding the meetings
- (vi) Frequency of the meeting
- (vii) Attendance in the meeting
- (viii) Reasons for irregularity in the meetings
- (ix) Penalty/ Fine for absenteeism in the meetings

The present paper is based on primary data collected from household. The data was collected through pre -tested household schedules in Jhajjar district of Haryana State from all blocks of the district. The questions in the Questionnaire were open ended. The household schedule was structured pertaining to the objective of the paper. This paper focused the household as the unit of analysis than other units like clients or micro- enterprises based on its suitability (Amin et al, 2003; Evans and Adams, 1999; Sarangi 2007 and Zewde and Tollens, 2008). Based on the demand of the objective, five indicators are selected for working of SHGs and these indicators are joining of members, meeting of members, saving of members, loaning of members and training for members of SHGs. The study was carried out in Jhajjar district of Haryana state in India, which is situated in the eastern region of the state, Haryana and

it is considered one of the under developed district in the state. This study engaged multi stage sampling technique. In the first stage, all block of district had been taken. From each block, 01 village was randomly selected. 02 SHGs were selected randomly from each village for target group and equal number of SHGs members selected for the control group. All total 104 household for target group and another 104 households for control group were sampled. The analysis was done engaging the statistical methods such as percentage and graph.

Functioning of Meetings of SHGs

The SHGs have to function in a proper democratic manner. Regular meetings of group members is a mandatory requirement to ensure smooth functioning of the SHGs, effective participation of members and consensus involvement on various issues and problems facing by the group. This section is further sub divided into various sub heads:

(i) Timing of the Meetings of SHGs

The timing of meetings of the SHGs was studied and the results have been presented in the table 1 Majority of the SHGs (60.58 per cent) reportedly conducted group meetings in the afternoon. This may be attributed due to the fact that rural women were found usually free in the afternoon after completing their household responsibilities. None of the SHGs conducted meetings in the evening, as this is also the time when family members return at home and the lady gets busy in looking after them and attending to their household works. Only a very few SHGs (9.62, 10.57 and 19.23) conducted their meetings in the morning, at noon and at any time respectively.

Table 1: Block Wise Distribution of Sample Respondents by Timing of the Meetings of SHG.

Sr. No.	Blocks	Timing of the Meetings of SHG					Total Member
		Morning	At Noon	After Noon	Evening	Any Time	
1.	Jhajjar	0(0)	0(0)	21(100)	0(0)	0(0)	21
2.	Beri	0(0)	0(0)	20(100)	0(0)	0(0)	20
3.	Matanhail	10(45.46)	0(0)	12(54.54)	0(0)	0(0)	22
4.	Bahdurgarh	0(0)	11(52.38)	0(0)	0(0)	10(47.62)	21
5.	Sahlawas	0(0)	0(0)	10(50)	0(0)	10(50)	20
	Total	10(9.62)	11(10.57)	63(60.58)	0(0)	20(19.23)	104

Source: Survey of the Field

(Figures in the brackets represent percentage to the total)

(ii) Objective of the Meetings of SHGs

The objectives of the meetings of SHGs were studied and the results have been presented in the table 2. The main objectives of group meetings as revealed by the study were collecting saving and discussing interloaning related issues, as hundred per cent members of SHGs have reported this fact. Apart from this, another major objective for conducting meetings was to discuss problems of the group members and working of the SHG and this was also reported again by hundred per cent by members of the SHGs.

Table 2: Block Wise Distribution of Sample Respondents by Objectives of the Meeting of SHG.

Sr. No.	Blocks	Objectives of the Meeting of SHG				Total Member
		To Collect Savings	To Discuss Problems of Group Member	To Discuss About Working of SHG	Interloaning	
1.	Jhajjar	21(100)	21(100)	21(100)	21(100)	21
2.	Beri	20(100)	20(100)	20(100)	20(100)	20
3.	Matanhail	22(100)	22(100)	22(100)	22(100)	22
4.	Bahdurgarh	21(100)	21(100)	21(100)	21(100)	21
5.	Sahlawas	20(100)	20(100)	20(100)	20(100)	20
	Total	104(100)	104(100)	104(100)	104(100)	104

Source: Survey of the Field

(Figures in the brackets represent percentage to the total)

(iii) Duration of the Meetings of SHGs

The duration of the meetings of SHGs was studied and the results have been presented in the table 3. Majority of the respondents (90.38 per cent) reported that their duration of meetings was one hour and 9.62 per cent of the respondents reported that their meetings lasted for about half an hour. None of the respondents reported the duration of meetings more than one hour.

Table 3: Block Wise Distribution of Sample Respondents by Duration of the Meetings of SHG.

Sr. No.	Blocks	Duration of the Meetings of SHG				Total Member
		Half an Hour	One Hour	Two Hour	More Than Two Hour	
1.	Jhajjar	10(47.61)	11(52.39)	0(0)	(0)	21
2.	Beri	0(0)	20(100)	0(0)	(0)	20
3.	Matanhail	0(0)	22(100)	0(0)	(0)	22
4.	Bahdurgarh	0(0)	21(100)	0(0)	(0)	21
5.	Sahlawas	0(0)	20(100)	0(0)	(0)	20
	Total	10(9.62)	94(90.38)	0(0)	(0)	104

Source: Survey of the Field

(Figures in the brackets represent percentage to the total)

(iv) Venue of the Meetings of SHGs

The meetings of SHGs can be organised at the homes of any SHG members or at any public place. The venue can be mutually decided by the SHGs members. The SHGs officials must inform the members that the venue should be such a place, where there is not much interference from non members and all SHG members feel comfortable. The venue of the meetings of SHGs has been widely studied and the results were presented in the table 4. About 30.76 per cent of the respondents reportedly conducted meetings at the house of their group President. None of respondents reported conducting meetings at the house of a group Secretary. But, 20.19 per cent and 9.61 per cent of the respondents reported conducting their meetings at the house of any other members and house of other person respectively.

However, majority (39.42 per cent) of respondents were found conducting their meetings in the house of a group Treasurer.

Table 4: Block Wise Distribution of Sample Respondents by Venue of the Meetings of SHG.

Sr. No	Blocks	Venue of the Meetings of SHG					Total Member
		House of President	House of Secretary	House of Treasurer	House of Any Member	House of Other Person	
1.	Jhajjar	0(0)	0(0)	21(100)	0(0)	0(0)	21
2.	Beri	10(50)	0(0)	0(0)	10(50)	0(0)	20
3.	Matanhail	12(54.54)	0(0)	0(0)	0(0)	10(45.46)	22
4.	Bahdurgarh	10(47.61)	0(0)	0(0)	11(52.39)	0(0)	21
5.	Sahlawas	0(0)	0(0)	20(100)	0(0)	0(0)	20
	Total	32(30.76)	0(0)	41(39.43)	21(20.19)	10(9.62)	104

Source: Survey of the Field

(Figures in the brackets represent percentage to the total)

(v) Receiving Any Notice Regarding the Meetings

Receiving any notice regarding the meetings of SHGs was studied and the results have been presented in the table 5. All respondents of SHGs reported that they were receiving notice in advance regarding the meetings before the meeting was held.

Table 5: Block Wise Distribution of Sample Respondents to Receive Any Notice Regarding the Meetings of SHG.

Sr. No.	Blocks	Receive Any Notice Regarding the Meetings of SHG.		Total Member
		Yes	No	
1.	Jhajjar	21(100)	0(0)	21
2.	Beri	20(100)	0(0)	20
3.	Matanhail	22(100)	0(0)	22
4.	Bahdurgarh	21(100)	0(0)	21
5.	Sahlawas	20(100)	0(0)	20
	Total	104(100)	0(0)	104

Source: Survey of the Field

(Figures in the brackets represent percentage to the total)

(vi) Frequency of the Meeting.

Frequency of the meetings of SHGs was studied and the results are presented in the table 6. Meetings on monthly basis were observed to be a common phenomena (89.42 per cent) followed by half monthly (10.57 per cent). None of the respondents of the SHGs reported that they were conducting their meetings weekly and not regular meetings.

Table 6: Block Wise Distribution of Sample Respondents by Frequency of the Meetings of SHG.

Sr. No.	Blocks	Frequency of the Meetings of SHG				Total Member
		Monthly	Half Monthly	Weekly	No Regular Meetings	
1.	Jhajjar	10(47.62)	11(52.38)	0(0)	0(0)	21
2.	Beri	20(100)	0(0)	0(0)	0(0)	20
3.	Matanhail	22(100)	0(0)	0(0)	0(0)	22
4.	Bahdurgarh	21(100)	0(0)	0(0)	0(0)	21
5.	Sahlawas	20(100)	0(0)	0(0)	0(0)	20
	Total	93((89.42)	11(10.58)	0(0)	0(0)	104

Source: Survey of the Field

(Figures in the brackets represent percentage to the total)

(vii) Attendance in Meeting

Attendance in the meetings of SHGs was studied and the results have been presented in the table 7. Compulsory attendance of the members in the meetings is considered as a pre- requisite condition for the smooth functioning of the group. It is acting as one of the important indicators that ensure the active participation of members in the group in a democratic manner. The findings of the study revealed that all respondents (100 per cent) of the SHGs attended their meetings regularly.

Table 7: Block Wise Distribution of Sample Respondents for Attendance in the Meetings of SHG.

Sr. No.	Blocks	Attendance in the Meeting of SHG.		Total Member
		Yes	No	
1.	Jhajjar	20(95.24)	1(4.76)	21
2.	Beri	20(100)	0(0)	20
3.	Matanhail	22(100)	0(0)	22
4.	Bahdurgarh	21(100)	0(0)	21
5.	Sahlawas	20(100)	0(0)	20
	Total	104(100)	0(0)	104

Source: Survey of the Field

(Figures in the brackets represent percentage to the total)

(viii) Reasons for Irregularity in the Meetings

Reasons for irregularity in the meetings of SHGs were studied and the results have been presented in the table 8. The major reasons (44.23 per cent) reported by the respondents of SHGs who did not attend regular meetings were showing their difficulty in adhering to the fixed time frame. Another major reason mentioned by them (31.73 per cent) was the wastage of time. But, 16.34 per cent, 5.76 per cent and 1.92 per cent respondents of SHGs have also mentioned preoccupation with household activities, inconvenience in date and time and any other problems respectively as the major reasons for their irregularity in holding meetings.

Table 8: Block Wise Distribution of Sample Respondents by Reasons for Irregularity in the Meetings of SHG.

Sr. No.	Blocks	Reasons for Irregularity in the Meeting of SHG					Total Member
		Preoccupation with Household Responsibilities	Perceiving SHG Meeting as Waste of Time	Difficulty in Adhering to Fixed Time	Inconvenience in Date and Time	Any Other problems	
1.	Jhajjar	5(23.81)	5(23.81)	7(33.33)	4(19.05)	0(0)	21
2.	Beri	3(15)	6(30)	9(45)	2(10)	0(0)	20
3.	Matanhail	4(18.18)	8(36.37)	10(45.45)	0(0)	0(0)	22
4.	Bahdurgarh	1(4.77)	8(38.09)	12(57.14)	0(0)	0(0)	21
5.	Sahlawas	4(20)	6(30)	8(40)	0(0)	2(10)	20
	Total	17(16.34)	33(31.74)	46(44.24)	6(5.76)	2(1.92)	104

Source: Survey of the Field

(Figures in the brackets represent percentage to the total)

(ix) Penalty/ Fine for Absenteeism in the Meetings

Penalty/ Fine for absenteeism in the meetings of SHGs were studied and the results are presented in the table 9. There is provision for imposing penalty or fine for remaining absent from the meetings of SHG. Therefore, a higher percentage of attendance could be attributed to this fact which discourages absenteeism. Imposition of fine was not found hundred per cent here in this case, as 79.80 per cent respondents of the SHGs reported for imposing no fine for absenteeism. Majority of the remaining respondents of the SHGs reported that Rs. 10 charged as penalty for absenteeism. A penalty of Rs. 5 was found to be charged by 9.61 per cent of respondents of the SHGs.

Table 9: Block Wise Distribution of Sample Respondents by Penalty/ Fine for Absenteeism from the Meeting of SHG.

Sr. No.	Blocks	Penalty/ Fine for Absenteeism from the Meeting of SHG.					Total Member
		Rs. 5	Rs. 10	Rs. 15	More than Rs.15	No Penalty/ Fine	
1.	Jhajjar	0(0)	11(52.38)	0(0)	0(0)	10(47.62)	21
2.	Beri	0(0)	0(0)	0(0)	0(0)	20(100)	20
3.	Matanhail	0(0)	0(0)	0(0)	0(0)	22(100)	22
4.	Bahdurgarh	10(47.62)	0(0)	0(0)	0(0)	11(52.38)	21
5.	Sahlawas	0(0)	0(0)	0(0)	0(0)	20(100)	20
	Total	10(9.62)	11(10.58)	0(0)	0(0)	83(79.80)	104

Source: Survey of the Field

(Figures in the brackets represent percentage to the total)

Conclusion

The present study concludes that the main objectives of group meetings were collecting saving and discussing interloaning related issues. All respondents of the SHGs attended their meetings regularly. Majority of the SHGs reportedly conducted group meetings in the afternoon. This may be attributed due to the fact that rural women were found usually free in the afternoon after completing their household responsibilities. Their duration of meetings was one hour and lasted for about half an hour. However, majority of respondents were found conducting their meetings in the house of a group Treasurer. All respondents of SHGs reported that they were receiving notice in advance regarding the meetings before the meeting was held. The findings of the study also revealed that the respondents of SHGs who did not attend regular meetings were showing their difficulty in adhering to the fixed time frame and Imposition of fine was not found hundred per cent here in this case.

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