

CHAPTER – 3

RESEARCH METHODOLOGY



Empowered women who reach tough or unconventional positions make choices not sacrifices.

- **India's first woman IPS officer Kiran Bedi**

Inadequacies in access to formal finance has led to the growth of microfinance in India. In India microfinance operates through two main channels viz. (a) banking system through the SHGs under SHG-Bank Linkage Programme (SHG-BLP) and JLG-Bank Linkage Programme (JLG-BLP) and (b) through Micro Finance Institutions (MFIs) lending through individual and group approach.

Microfinance is the endowment of credit plus financial services to the poor and weaker section of the society. The microfinance has evolved due to the efforts of committed individuals and financial agencies working in the developmental sector to promote self-employment and contribute to poverty reduction and provision of social security. India has been able to develop its own model of microfinance initiatives in the form of savings and credit groups known as the Self Help Group (SHGs), which are bank-linked. Microfinance has begun as a demanding programme to cater to the needs of the most underprivileged people i.e. tribal and rural women residing in the very remote area. The key alarms today are ever increasing poverty and there is urgent need of empowering enabling the most neglected sections of the society through collective organized support to all poverty alleviation programmes. Microfinance is expected to play a pivotal role in poverty eradication and employment generation with vital help of Government and Non-Government Organizations.

SHG – Bank Linkage Programme, the largest microfinance model in the world, began formally in 1992 with a set of guidelines issued by NABARD. RBI facilitated commercial banks to lend to SHGs without collateral security. Since then it has taken the shape of a movement. Self Help Group Bank Linkage Programme (SBLP) is a step to bring the “unbanked” poor into the formal banking system and to inculcate thrift and credit habits. A natural consequence is for the group members to graduate into seeking better livelihood opportunities through access to credit from financial institutions.

Key Statistics under SHG – Bank Linkage Programme as on March 2016		
Sr.No.	Particular	Data
1	Total number of SHGs saving-linked with banks	79.03 lakh
2	Total saving amount of SHGs linked with banks	Rs. 13691 crore
3	Total number of SHGs with loan outstanding	46.72 lakh
4	Total loan amount outstanding	Rs. 57119 crore
5	Total No. of SHGs credit linked during 2015-16	18.32 lakh
6	Total Amount disbursed during 2015-16	Rs. 37286 crore
7	NPA declined over by previous year	0.59 %
Source: The Bharat Microfinance Report 2016 published by Sa-Dhan and NABARD		

In recent years, India has witnessed a high rate of economic growth, which has resulted in greater personal wealth for many Indians. However, a vast section of the society is still financially excluded, that mean it does not have access to formal financial institutions. In light of recent research that shows a strong correlation between financial exclusion and poverty and inequality, the Indian government has made financial inclusion an integral part of its planning strategy. But how do you spread a banking network to a huge number of settlements at an affordable cost? In India, an effort has been made to achieve financial inclusion by covering maximum number of Self Help Groups.

The basic thrust of the study is to understand whether microfinance have really contributed in the empowerment of women or else the notion of empowerment exists in its proceedings only as a hollow concept. The present study envisages in understanding the influence of SHGs upon the lives of women involved in it. This is analyzed not only from the accessibility of credit and income generation among the women, but in relation to changing gender relations in the society. For this research study is undertaken to probe into the functioning of Self Help Groups (SHGs) of Kheda and Namada District of Gujarat. The methodology used for selection of the sample and collection of data is outlined in this chapter.

STATEMENT OF THE RESEARCH PROBLEM

Alleviation of poverty, the core of all developmental efforts has remained a very complex and critical concern for developing countries. Experience has shown that many of the poverty alleviation programmes have not achieved the expected success. In spite of considerable improvement in the status of women, they still comprise the largest section of deprived

population. Empowerment of women is seen as one of the most important means of poverty eradication. Lack of capital is a serious constraint to the development of poor women in rural and urban areas who find little or no access to credit. Credit can help women take-up farm and allied activities such as keeping milch cattle, poultry or independent small enterprises, enabling them to respond to the opportunities created by the process of development. Micro credit for women has been the mantra that has worked like nothing else in pulling the poor women out of poverty and empowering them wherever it was introduced.

Women belonging to underprivileged and poorer sections, irrespective of their social strata or region, are by themselves, in no position to unravel their problems. They are subject to discrimination and exploitation and occupy a lower status in domestic, political and economic scenario. Women, particularly, in rural areas have proportionately least possessions, skills, education, social status, leadership qualities and capabilities for mobilization, which determines the degree of decision making and power and as a result, their dependence on men increases. They have been confined to the four walls of the household, overburdened with domestic works and controlled of their mobility and personal freedoms by the men of the household since time immemorial. So they have lagged behind in the fields of education, skill development, employment and as a result, their work is greatly undervalued in economic terms. Women's lack of empowerment is believed to be an important factor for this situation and hence they require social and economic protection. Therefore, they need to be empowered economically, socially and politically. The women empowerment is a critical determinant of economic well-being, social status and political power. Micro finance aims at providing the urban and rural poor, especially women, with savings, credit and insurance and aims to improve household income security and in turn endeavors to empower the women.

OPERATIONAL DEFINITIONS:

Self Help Groups: Self-help groups are voluntary associations of people with common interests and objectives formed to achieve collective social and economic goals. Such groups are organized for mutual help and advantage. It is formed democratically without any political affiliations and pressures. They may comprise of 10–20 women. In the present study, researcher took SHGs who have completed two years of their formation, promotion and bank linkages and SHGs engaged in income generating activities.

Microfinance: NABARD has defined microfinance as “provision of thrift, credit and other financial services and products of very small amount to the poor in rural, semi-urban and

urban areas for enabling them to raise their income levels, and to improve living standards.” In this study, researcher used rural and tribal poor women beneficiaries of Self-help groups. Terms microfinance and micro-credit are used interchangeably in this study.

Women Empowerment: Women empowerment is a process whereby women become able to organize themselves, take their own decisions, have their own choices, freedom to speech and increase their own self-reliance through income generating activities, to assert their independent right to make choices and to control resources which will assist in challenging and eliminating their own subordination. In this study empowerment of women especially the women under BPL category residing in rural and tribal areas by various dimensions – social, economic, political and familial. In this study women empowerment also refers to developing a sense of self-confidence, self-worth, a belief in one’s ability to secure desired changes and the right to control one’s life.

(i) Economic Empowerment: A woman is said to be economically empowered when she gains power and control as a result of increased access to financial resources. The means of achieving economic empowerment are access to micro-credit, microfinance, increase in income, ability to make decisions regarding the utilization of money/credit, etc.

(ii) Political Empowerment: A woman is said to be politically empowered when she has the awareness and power to act in accordance with the rights, responsibilities and rightful role of women in society and polity. In this study political empowerment refers to political awareness, participation in political activity, membership in local bodies, position of power, etc.

(iii) Social Empowerment: A woman is said to be socially empowered when she has the power to participate in collective social activities in the society. The means of achieving social empowerment are social status, interaction with others, decision making power, access to various social institutions, social involvement, participation in social and cultural activities etc.

Ownership: Ownership refers to legally or socially authorized household/individual ownership of property or assets: that is, to when, under either modern law or customary law, the household/individual is recognized to own property or assets in their individual capacity.

It is measured in terms of individual/household ownership of properties or assets approved either under modern or customary law.

Decision-making: When women starts receive and use credit to make a positive contribution to the household and the community the perception toward them starts to change. Changes include both in the self-perception of the women as well as changes in the perceptions that others have on those women. Increases in the women's self-esteem and self-confidence can lead to a more active role for the women in decision-making both with the household and within the community. This variable is measured by who made decision about recent purchases and investments within the household.

Self-efficacy: Self-efficacy reflects women's articulacy and confidence in speaking with outsiders, people of authority, children's teachers and her service provider, her confidence in her ability to disagree with her husband and other family members, and her belief that she is effective in solving family problems. It is measured in terms of a) who do women interact freely with (e.g. husband's family, neighbours etc.), b) have they ever talk directly with (e.g. service provider, children teachers etc.), c) do they talk with confidence and assertiveness, and d) how confident do they feel that they can manage the different things on their own.

Self-esteem: Self-esteem refers to how one values oneself and one's contributions and how one feels that others value one's self and one's contributions. It is measured in terms of whether women make any major contributions to a) their household, and b) their community; and c) how women evaluate themselves compared to men and other groups in the society.

Mobility: Mobility refers to the free movement by women without being restricted or worried. It is measured in terms of women being travelled to different places alone.

Participation in activities outside home: Participation in activities outside home refers to participation of women in the activities outside their home. It is measured in terms of participation in different meeting and activities outside home.

SIGNIFICANCE FOR SOCIAL WORK PROFESSION

Empowerment of women is considered as an important responsibility of every government. Till recently very little attention has been given to empowerment issues or ways in which

both empowerment and sustainability aims could be accommodated. Women's access to savings and credit gives them greater economic role in decision-making through their decisions regarding savings and credit. When women control decisions regarding credit and savings, they optimize their own and the household's welfare. In addition to the influence of the project in raising incomes and encouraging poor households to enter the market economy, it also serves as an entry point for comprehensive community and human development

India is a country with massive population having persevering unemployment problem. In rural areas, the poor are dependent on money-lenders for their economic necessities, either for social functions like marriage, illness, or any other emergency need in the family. Moneylenders always exploit the situation of these poor people. The formal credit system of banks by and large is beyond the reach of the poor, so rural employment generation is the greatest challenge for our country. Government has to make the rural people to realize that Self Help Groups (SHGs) and Joint Liability Groups (JLGs) are the main medium for rural employment generation. Encouragement and support by the government will solve the problem of rural unemployment, which can be achieved by realizing the need for rural employment through SHGs. The information to access of credit, resources, skills and technology base of poor are very weak and the scales of their operation small. Their credit needs arise due to growing family size and societal obligations such as expenses on marriage, deaths, medical treatment and also due to market and climate uncertainties.

The need to expand operation places tremendous strain on the existing family income, which is hardly adequate to meet routine production and consumption requirements. In such emergencies, there are no credit institution to fall back upon and hence they are forced to take credit supplied by bigger landlords, traders and moneylenders at a quite high rate of interest, withstanding the threat of losing their means of production, indebtedness and sometime even bondedness. Women's lack of empowerment is believed to be an important factor for this situation and hence they require social and economic protection. Therefore, they need to be empowered economically, socially and politically. The women empowerment is a critical determinant of economic well-being, social status and political power. Micro finance aims at providing the urban and rural poor, especially women, with savings, credit and insurance and aims to improve household income security and in turn endeavors to empower the women.

Rural women's contribution to the economy is quite significant. Over 80 per cent of the working women in rural areas are engaged in agriculture and allied activities. They usually

perform drudgery prone activities and do not get equal wages with male workers. Given a chance women agricultural workers prefer to take up alternate economic activities. The government is also laying stress on empowering rural women by identifying alternate economic activities. SHGs are playing an important role in optimization of natural and human resources through people's participation.

Over a period of time, SHG-Bank linkage has become the dominant mode of microfinance in India and has been successful in encouraging significant savings and high repayment rates. However, the point of concern is about the continued stability and integrity of the movement. The success of the SHG-Bank Linkage model depends critically on the tasks of promoting, nurturing, strengthening and monitoring SHGs. SHGs require a large amount of pre and post lending monitoring. Most critical is the issue of sustainability of the SHGs; many are dependent on the promoter organizations for even routine tasks such as maintenance of account books and conducting of meetings where transactions take place. Others operate at a low equilibrium of low savings and low credit that is unlikely to contribute significantly to improving the lives of SHG members.

It is however a point of concern that the success lies in the regularity in the flow of finance on the one hand and availability of ready markets for their products on the other. Proper monitoring and supervision of the income generating activities and utilization of credit is necessary. Further, the success of the scheme lies in the choice of viable income-generating activities by women SHGs. Women SHGs do not find ready takers for their products. Market accessibility is not the only problem. All members in the group may not have entrepreneurial ability and potentially to run income generating activities. Furthermore, an important aspect of successful functioning of SHGs is appropriate maintenance of records, the membership register, cash book, loan ledger, the members pass book, etc. These records ensure proper understanding amongst members about their savings, repayments, dues, etc. SHGs should adhere to organizational practices such as proper maintenance of accounts, regular group meetings and good loan-repayment performance on internal lending for their sustainability in the long run. So many studies have been conducted so far to evaluate the impact of the Self-help Groups on the empowerment of women. Further, there is a need to take a critical look at the general as well as financial management practices of the Self Help Groups besides various income generating activities taken up by them.

Furthermore, although the word finance is in the term microfinance and the core elements of microfinance are those of the finance discipline, microfinance has yet to break into the mainstream or entrepreneurial finance literature. No comprehensive study is conducted in this direction so far. Hence, the present study is taken up in this direction to fill the gap in the existing literature.

OBJECTIVES OF THE STUDY:

1. To understand the formation, development, saving and borrowing pattern of Self Help Groups in Kheda and Narmada district.
2. To explore the associations if any, among various aspects of microfinance and background characteristics of SHG members in selected districts.
3. To analyze the socio-economic and political empowerment of rural and tribal women in sample districts.
4. To study problems and constraints faced by members of Self Help Groups.
5. To study impact of training on socio-economic condition of rural and tribal women of sample districts.
6. To understand the qualitative aspects of women empowerment through observations, case studies of successful beneficiaries and Focus Group Discussion.
7. To study the major constraints of SHGs relating to marketing of their products.

RESEARCH HYPOTHESIS:

A proposal intended to explain certain facts or observations and a tentative insight into the natural world; a concept that is not yet verified but that if true would explain certain facts or phenomena. It was assumed that

1. There is association between improvement in socio-economic aspects and both the districts.
2. There is association between improvement in family conditions and both the districts.
3. There is no correlation between satisfaction level and training given to Group members.
4. There is no correlation between attendance in Gram Sabha meeting and improvement in economic condition.
5. There is no correlation between attendance in Gram Sabha meeting and improvement in political condition of respondents.

Variables used in the Study are:

A. Economic Empowerment

- (i) Access to micro finance
- (ii) Increase in income
- (iii) Ability to make decisions regarding the utilisation of money/credit
- (iv) Poverty alleviation
- (v) Self-reliance

B. Political Empowerment

- (i) Political awareness
- (ii) Participation in political activity
- (iii) Membership in Local Bodies
- (iv) Position of power
- (v) Freedom to introduce new style of leadership

C. Social/Cultural Empowerment

- (i) Social status
- (ii) Mingling with others
- (iii) Access to various organizations
- (iv) Social involvement
- (v) Mobility
- (vi) Gaining voice
- (vii) Mutual help and support
- (viii) Collective bargaining
- (ix) Participation in cultural activities/festivals
- (x) Participation in competitions, seminars, discussions, etc.

D. Personal Empowerment

- (i) Economic freedom
- (ii) Freedom of action
- (iii) Ability and involvement in decision-making
- (iv) Self-esteem
- (v) Improvement in health
- (vi) Improvement in education
- (vii) Exposure

- (viii) Gender equality
- (ix) Discovery of new possibilities and options
- (x) Improvement in skills and abilities
- (xi) Self-actualization

E. Familial Empowerment

- (i) Improvement in income
- (ii) Support from the spouse
- (iii) Improvement in family relationship
- (iv) Help for dependents
- (v) Education to children
- (vi) Medical care to family members
- (vii) Ability to provide nutritious food
- (viii) Improvement in basic facilities and amenities
- (ix) Improvement in standard of living

The dependent variables used in this study are: control over savings and income, ownership, decision-making, self-efficacy, self-esteem, mobility and participation in activities outside home.

RESEARCH DESIGN

The Research Designs is descriptive in Nature as it is describing the entire phenomenon of saving – borrowing patten of SHGs and it also explains the entire situation of how microfinance make difference in empowering women. During the field study of various blocks of Kheda and Narmada districts, care has been taken to study the different dimensions and levels of empowerment and their linkages with SHGs. The basic thrust of the study was to understand whether women beneficiaries of microfinance programme are really empowered in relation to decision-making power including health.

Empowerment of women is seen at three different levels i.e. individual, familial and societal. Basically quantitative data is used for the purpose of analysis. The quantitative method is used in assessing the relationship between the demographic variables of the respondents. Self-designed, structured Interview Schedule, Observation method, Case Study method and Focus Group Discussion were used for data collection by keeping in mind the requirement of research objectives.

UNIVERSE

Universe of the present study included all beneficiaries of microfinance programme promoted by Indian Bank in Kheda district and SHGs promoted by regular Government functionaries in Narmada district. Gujarat has been considered as a huge potential market in terms of microfinance. Researcher has selected Kheda and Narmada district as there is an existence of special microfinance branch of Indian Bank in Kheda, Gujarat is having only one special bank branch for microfinance activity in Kheda district and huge potential available in Narmada district. There are total 2474 SHGs are promoted by Indian Bank in the area of operation i.e. in Kheda district. Areas of operation of Indian Microsat branch consist of Kheda, Borsad and Anand.

SAMPLE AND SAMPLING PROCEDURE

Researcher approached total 500 respondents i.e. 250 SHGs from each district on the basis of a non-probability, simple random sampling and purposive sampling method. It was purposive because both the districts have been chosen purposively because of the easy accessibility and earlier experience of researcher in working with the SHGs. Purposive sampling comes under non probability sampling method in which the researcher is deliberately and purposively selects the sample units because of its unique characteristics which are deemed important for the research and this sample can bring most desire result. This is also known as judgment sampling. This involves selection of cases which we judge as the most appropriate ones for the given study. It is based on the judgment of the researcher or some expert. In purposive sampling, the investigator has some belief that the sample villages being selected is very good representative of the population. This method ensures that those villages will be included in the sample that is relevant to the research design.

Selection of villages:

Twenty-three villages were selected randomly from the area of operation of Indian Bank whereas in Narmada district, researcher selected three talukas namely Nandod, Tilakwada and Garudeshwar due to very high potential of SHGs. Randomly 62 villages were selected from Narmada district because of the characteristic of probability, homogeneity and every member has equal chance of being selected. These villages were selected by the researcher mainly for three reasons, firstly because of availability of women self-help groups in the village; secondly for its easy accessibility and thirdly for good amount of experience of researcher's exposure of working with these self-help groups previously.

Selection of SHGs:

Approximately 10 to 11 women SHGs from each Gram Panchayat/village from Kheda district were chosen and randomly 4 women SHGs from each Gram Panchayat/village were chosen from Narmada district. Moreover, researcher selected respondent from SHGs which were operating since two years. Total 500 SHGs 250 from each district were chosen for the study because of the characteristic of availability of good potential market and homogeneity.

Selection of respondents:

From each SHG, a random sample of only one member was considered for the study. The criteria followed were: (a) they should be existing office bearer and members of the SHG; (b) preferably SHG leader were chosen for the sample size.

CRITERIA FOR SAMPLING:

Inclusion criteria for selecting beneficiaries of microfinance programme are as follow:

Inclusion Criteria:

- Microfinance beneficiaries specifically members of active SHGs preferably SHG leaders.
- SHGs promoted by active Government functionaries and financed by Public Sector Banks.
- SHGs who have completed two years of their formation, promotion and Bank linkages.
- SHGs engaged in income generating activities.
- SHGs having the president, the secretary and the treasurer.
- SHGs who are regular in Savings and availing facility of internal lending and external lending from Banks.
- SHGs not black listed by any authentic agency.
- SHGs having actual track record on paper along with actual existence in the fields.

TIME PERIOD

Time Period for the data collection was from April, 2014 to January, 2015. However, the interviews for case study were done after the data was collected with prior permission and prior appointment.

Details of Self Help Groups promoted by Indian Bank in the area of operation:

DISTRICT:KHEDA		
Sr.No.	Block	No. of SHGs
1	Anand	26
2	Borsad	78
3	Kapadvanj	27
4	Kathalal	237
5	Kathavada	112
6	Mahemdavad	108
7	Kheda	209
8	Mahuidha	150
9	Matar	70
10	Nadiad	985
11	Narsanda	97
12	Petlad	137
13	Thasara	151
14	Umreth	87
Total		2474

(Source: NABARD PLP report 2015 and Indian Bank Annual Report, Nadiad)

Selection of Gram Panchayats from Kheda district:

The following 23 Villages/Gram Panchayats from Kathlal taluka were selected for the study:

Villages/Gram Panchayat				
Aatroli	Charedh	Laxmipura	Ratanpur	Needivenu
Abhripur	Chhipdi	Mahuda	Sarkhej	Rahuda
Anara	Chhipiyal	Mirzapur	Shahpur	Ladvel
Bajakpura	Kakarkhad	Mudratanpur	Simpdi	Lasundra
Bandhukiya	Ravdavat	Bharkunda		

These Gram panchayats were selected randomly because of the characteristic of probability, homogeneity and every element has equal chance of being selected.

Details of Self Help Groups in Narmada district:

DISTRICT:NARMADA		
Sr.No.	Block / Taluka	No. of SHGs
1	Dediyapada	614
2	Nandod	696
3	Sagbara	357
4	Tilakwada	409
5	Garudeswar	423
TOTAL		2499

(Source: GLPC and NABARD PLP report 2015)

The following Gram Panchayats were selected from Narmada district under the study:

No.	Taluka	Villages / Gram Panchayat		
1	Nandod	1. Amletha	2. Gopalpura	3. Navra
		4. Bhacharvada	5. Guvar	6. Nikoli
		7. Bhadam	8. Jesalpor	9. Ori
		10. Borindra	11. Karatha	12. Rajuvadia
		13. Chitravadi	14. Khojalvasa	15. Ranipura
		16. Dhamnacha	17. Kumasgam	18. Serav
		19. Dholar	20. Lachhras	21. Taropa
		22. Gadit	23. Mangrol	24. Umarva
		25. Gamkuva	26. Movi	27. Vaghetha
2	Tilakwada	1. Agar	2. Devaliya	3. Rengan
		4. Alva	5. Gamod	6. Tilakwada
		7. Bhadarva	8. Jalodra	9. Vyadhar
		10. Dabher	11. Kantharpura	
3	Garudeshwar	1. Akteshwar	2. Garudeshwar	3. Mota pipriya
		4. Amadala	5. Gora	6. Sakava
		7. Bharandra	8. Indravana	9. Samariya
		10. Bhilvasi	11. Kalimakwana	12. Suka
		13. Bhumaliya	14. Kareli	15. Timarva
		16. Boriya	17. Kevadiya	18. Umarva
		19. Dhavadi	20. Khadagada	21. Vaviyala
		22. Gabhana	23. Mota amba	24. Zarwani

Pilot study:

Before conducting the actual study, a pilot study was carried out by the researcher with the non-samples to understand the basic situational background, to understand level about empowerment of rural and tribal women through microfinance programme and to modify interview schedule. A pilot study was conducted in both the districts for the purpose of finalizing the interview schedule. Both validity and reliability was checked. The interview schedule was being pre-tested before execution. Researcher has used self-designed interview schedule that consists close ended questions. The researcher did assessment of the situational background while formulating interview schedule. Relevant review was also examined in order to develop questions on socio-economic conditions of the respondents. As per the objective of the study, the researcher has formulated interview schedule for members of SHGs.

TOOLS USED FOR DATA COLLECTION

For the *primary data*, self-designed and structured interview schedule was used. The interview schedule was prepared on the basis on literature review and was later modified on the basis of pilot testing. The tool was sent to experts and academicians from the fields of Social Work, Research and Microfinance. The appropriate changes suggested by them were incorporated and repetitive questions and close ended answers were appropriately reframed. The tool was translated in the local language (Gujarati) by the professional translator and was pretested. Examples, experiences, observations, quotes and verbatim of sample respondents were written at the end of the schedule for better understanding of the questions by the respondents. Researcher put special emphasize on gathering and collecting relevant information through detailed observation and case studies in the field.

The *secondary data* was obtained in the form of previous research studies, PhD thesis, articles, published journals and annual reports, which was found to be authentic to a certain extent. The secondary data included from the historical and current data collected from books, reports, newspapers, journals, magazines and other published sources in this field. The service of internet was being used to get the relevant theoretical information on international and national organizations that are engaged in microfinance and women's welfare.

DATA ANALYSIS:

The important variables were formulated and the relevant data collected from the field was being coded and analyzed using SPSS (Statistical Package for Social Sciences) software.

Data was processed with the help of computer using SPSS software. Various tabular and graphical representations were used towards meaningful interpretation of the facts and figures. Moreover, analysis of data was also done by statistical tests and was being interpreted keeping in mind broad and specific objectives of the current study on Women Empowerment through Microfinance: A study of need, practices and future trends. Statistics like simple frequency distribution tables, Cross tables, Mean, Standard Deviation and Chi-square was applied to understand the associations between the variables. For the multiple responses, observations and interaction during data collection the separate categories were formed from the opinions and responses received.

Limitation of the Study:

The Self Help Group is scattered all over India empowering huge number of women. To conduct this particular study, it was quite impossible to cover all the population of different region all over Gujarat. So like other studies, this particular study too has certain limitations. These are:

- i. The particular study is restricted to the Kheda and Narmada districts as only these two districts were chosen as universe.
- ii. The selection of sample is limited to the one member from each SHG.
- iii. The sample size of the respondents is limited and only 500 respondents (250 from each district) have been chosen for direct interview.
- iv. This particular study has been conducted exclusively woman self-help groups only in rural and tribal areas. Urban areas were excluded in this study.
- v. The opinions of the social activist, NGO personnel, local administration and local leaders of the political parties have not been considered in this study to avoid manipulation and biasness.

ETHICAL CONSIDERATION:

The researcher carried a formal letter signed by the research guide, Faculty of Social Work. The informal consent developed by the researcher was translated in Gujarati language and was either read out by the researcher or was given to the respondent. See informed consent in Annexure). However, in case where respondents refuse to sign the informed consent verbal consent was taken before starting interview and data collection.

CHAPTERISATION:

The research report consists of the following chapters

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Acknowledgement

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Annexure

RESEARCH SETTING

The state of Gujarat has 33 districts and 249 talukas. Kutch is the largest district of Gujarat while Dang is the smallest. Ahmedabad district has the highest population while Dang has the lowest. Surat is the most densely populated district while Kutch is the least. There are 249 Talukas (subdivisions of districts) in Gujarat. Gujarat state was established on 1st May 1960 out of the 17 northern districts of State. Researcher selected two districts namely Kheda and Narmada purposively for the study.

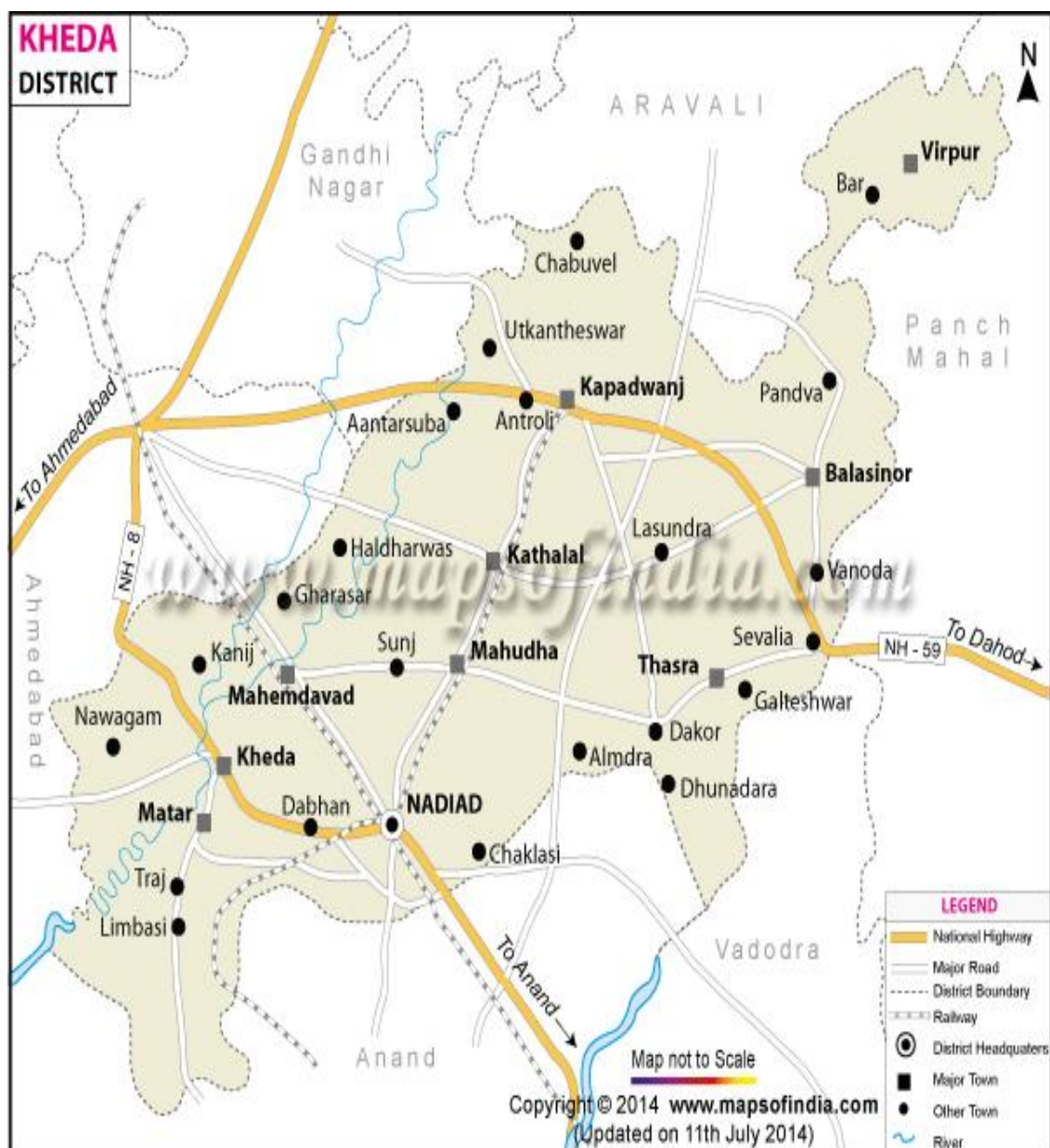
PROFILE OF KHEDA DISTRICT

Kheda is surrounded by common boundaries with four other districts of Gujarat State namely Ahmedabad, Panchmahal, Sabarkantha and Vadodara. The Kheda District comprises of 10 Talukas, 10 municipalities and 510 village panchayats. Kheda district is surrounded by Anand in the east, Ahmedabad districts in the west, Mahisagar, Gandhinagar, Panchmahal and Gandhinagar in North. The soil in the district is mainly loamy. Main crops are tobacco, paddy, wheat, Banana and Green vegetables. The Geographical area of District is 3958 sq.k.m. and as per 2011 census total Population is 22,99,900 (NABARD PLP 2016).

Kheda district is a part of Gujarat and is subdivided into five sub-micron regions viz. Sabarmati

-Vatrak plain, Nadiad plain, Aravalli Forested Rock-outcrops and Mahi plain on the basis of topography, climate, geology, soils and natural vegetation. Geographically, the district has a small hilly area in northern parts of Kapadvanj and Balasinor taluka. The remaining portion of the district is plain sloping gently from the North-East towards the South -West. The district has nine rivers of which Mahi and Sabarmati are principal perennial rivers. The river Mahi is known as Mahisagar. Total length of Mahi river in the district is about 180km. Total length of Sabarmati river in the district is 88km. Other rivers of the district viz. Shedhi, Vatrak, Meshwo and Khari meet Sabarmati river at its left bank.

MAP 3.1 MAP OF KHEDA DISTRICT



Rural Urban Populations

Available information about distribution of population in rural and urban areas is presented in Table 3.2. The district has 612 inhabited villages. There are 84 big-sized villages with population exceeding 5000. In the district, 79.9 per cent of the people live in rural areas and 20.1 per cent in urban areas. The sex ratio of rural population is 937 and in urban areas it is 934, so the sex ratio is higher in urban area.

Kheda district is famous by the name, “Golden Leaf” since many decades district is a major producer of tobacco in Gujarat State. Moreover, it has strong base of cotton cultivation specifically in Nadiad. Nadiad is the main industrial centre in the district, centrally concentrated industries like textiles, paper, electrical equipment and food processing. It is one

of largest corrugated boxes in the country with Core Emballage Ltd unit presently in the district.

Nadiad is the district head quarter for the administration of Kheda. Besides, there are other talukas namely Balasinor, Kapadvanj, Kathlal, Kheda, Mahudha, Matar, Mehmadavad, Thasara and Virpur. There are total 10 talukas and 620 villages in the district. Collector office is situated in Nadiad town which looks after the administration of the whole district. Besides there are 10 municipalities and total 559 village panchayats including some group panchayats look after the administration at local levels and cooperates to the district headquarter for strengthening the economic growth of the district. Moreover, there are 10 Tehsil Panchayats, 8 Nagar Palika, and 3 Municipal Bureau helps the district in the local administration.

Infrastructure development is a necessary pre-condition for integrated rural development in the district. Rural Infrastructure Development Fund (RIDF) serves as a supplement to the efforts being made by State Governments in this direction. Assistance provided to the Gujarat Govt. under RIDF for projects like construction of Rural roads & bridges, Minor/medium irrigation works, Rural drinking water supply schemes and Anganwadi and health centers.

Agriculture and animal husbandry are the predominant economic activities in the district. Within animal husbandry, dairy is the most important activity in the district. Poultry is another activity steadily growing in the district. Food processing is also fast growing activity witnessed during the last decade. Papad, pawa, pickle and spices in the district have created assured export market in US, Africa, Europe and Australia. The district has the potential to put Gujarat on the world tourist map due to its famous Lord Krishna temple at Dakor.

Paddy, wheat, and bajra are the main food crops in the district. Tobacco, cotton, mustard, castor and funnel are the major commercial crops grown in the district. Mango, lemon, amla, banana and papaya are important plantation and horticultural crops grown. Cultivation of medicinal and aromatic crops has been steadily increasing. There exists very good potential for establishment of fruit processing industry.

The district is affected by degradation of land in ravine belt of Mahi river. The district has predominantly agrarian economy and the development of NFS is yet to take place. As such there is no big industry in Kheda district, but small and marginal industries are thriving on availability of skilled man power, raw material, good infrastructure and good connectivity

with big cities like Ahmedabad and Vadodara. Due to ever increasing land costs and costs of agriculture labour and raw material, there is a shift from Nadiad block to Thasra and Kapadwanj block for labour intensive activities like poultry and dairy.

The Animal husbandry and dairy development sector plays an important and vital role in economy of Kheda district. This sector also contributes to product nutritive food, rich in protein, to the general public and good supplementary income to the economically weaker section of society like SC/ST, small farmers, marginal farmers and agricultural laborers. In addition, it offers a good employment generation opportunity, if adopted on a large commercial basis. Kheda District is having good and high-yielding breeds of cattle and buffaloes. Gir and Kankrej breeds of cows and Mahesani, Jafarabadi, Banni and Surti breeds of buffaloes are well known for their high milk yielding capacity. Kankrej bullocks are famous for their "Sawai-chal" and the cows of this breed are good milk producers. Distribution of cattle population in Kheda District is as under.

AMUL (Anand Milk Union Limited) Dairy: Amul dairy is the powerful driver behind the entire milk procurement and processing cycle in Kheda district. The work relating to providing ISO 9001-2000 certification to all its societies is underway. Electronic milk testing machines & frozen and liquid semen are supplied by “AMUL” to almost all societies in addition to practically every other need of dairy farmers in the district. GCMMF (Gujarat Cooperative Milk Marketing Federation) controls the marketing and product innovations of all milk unions affiliated to it. Now most of the dairies in Kheda district are connected with state of art SAP software for better financial and operational management.

The SHG Finance has been assuming and gaining importance specially due to efforts of NABARD and State Government.

About Indian Bank

A Public sector [Indian Bank](#) was established on 15th August 1907 as part of the Swadeshi movement. It has 227 Overseas Correspondent banks in 75 countries. It has planned to expand its network of [microfinance branches](#) in the country. From the current count of 32, the bank targets to increase the network strength to 60 by the end of March 2012. These specialised branches cater to the financing needs of [Self Help-Groups](#) (SHG) in the rural areas by extending loans varying from Rs 60,000 to Rs 12 lakh. Indian Bank Chief Managing

Director [T M Bhasin](#) told Business Standard -“We had launched the microfinance branch initiative in 2007 and it has been highly successful with recovery percentage of 99.5 per cent.”

Since inception, the initiative had reached out to about 400,000 SHGs comprising 5 million people in the country and extended collateral-free loans totalling Rs 2,130 crore. Indian Bank Microsat Branch in Nadiad is the Main Branch handling Small Scale Microfinance Transactions for exclusively Self Help Group of nearby districts. Map of Kheda district is as under:

Leadership of Indian Bank in Rural Development:

▪ Pioneer in introducing Self Help Groups and Financial Inclusion Project in the country
▪ Award winner for Excellence in Agricultural Lending from Honourable Union Minister for Finance
▪ Best Performer Award for Micro-Finance activities in Tamil Nadu and Union Territory of Pondicherry from NABARD
▪ Pioneer in introducing Self Help Groups and Financial Inclusion Project in the country
▪ A special window for Micro finance viz., Micro Credit Kendras are functioning in 44 Rural/Semi Urban branches
▪ Harnessing ICT (Information and Communication Technology) for Rural Development and Inclusive Banking
▪ Provision of technical assistance and project reports in Agriculture to entrepreneurs through Agricultural Consultancy & Technical Services (ACTS)

Various Products/Facilities available under Indian Bank Financial Inclusion Plan

Deposit SB Products

- Basic Savings Bank Deposit Account

Recurring Deposit Products

- Recurring Deposit (RD)
- Variable Recurring Deposit (VRD)

Credit Products

- SB cum Overdraft Facility (OD) for Non Farmers and Landless Labourers

- General Credit Card to Micro and Small Enterprises
- Kisan Credit Card to Farmers

Remittance Facilities

- Remittance/ Fund Transfer Facility through Mobile Phone for Migrant Workers

Micro Insurance Products

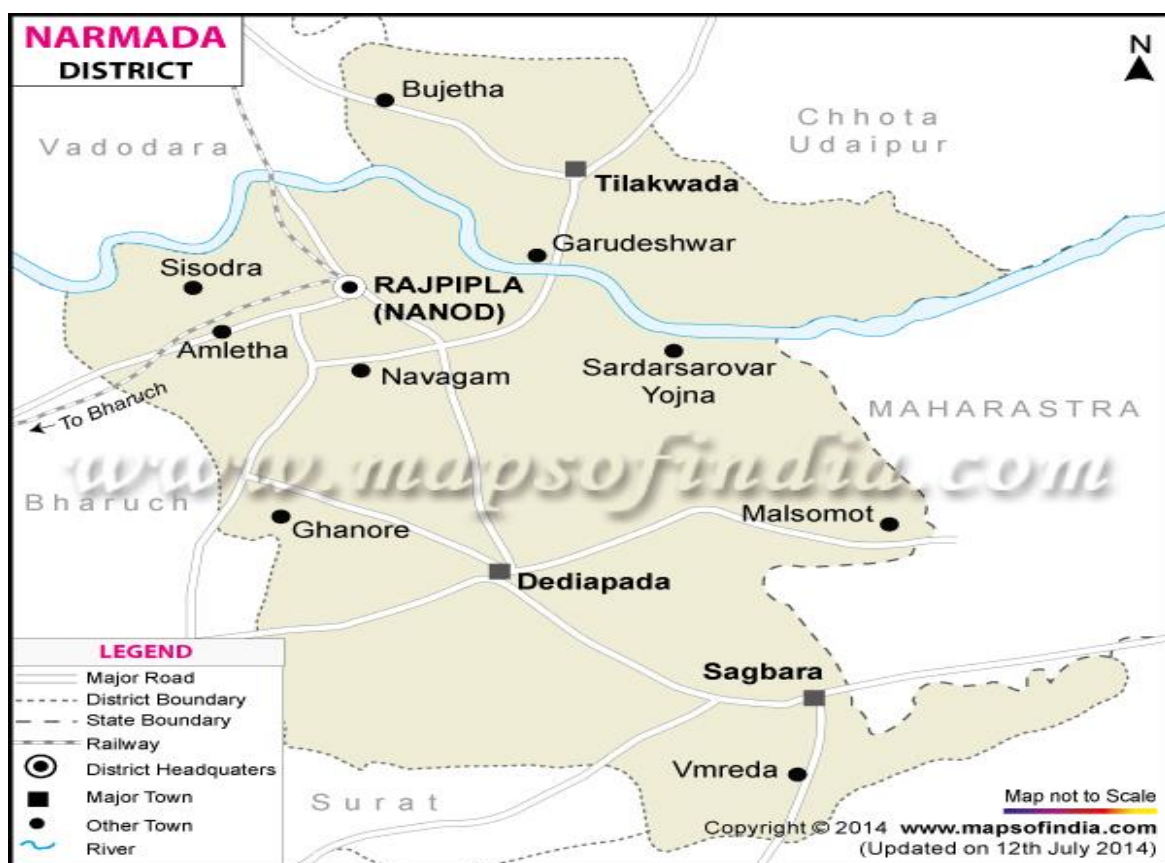
- Janatha personal Accident Insurance
- Hut Insurance
- Kisan Credit Card Insurance
- Gramin Accident policy
- Swasthya Bima Policy
- Rural Women Package Policy

PROFILE NARMADA DISTRICT

Narmada district is located at the Southern part of Gujarat. Located in Nandod taluka, Rajpimpla is the district headquarters of Narmada District. Narmada district comes in Seismic Zone- III. Focus industry sectors include textiles, foods & agriculture and chemicals. Major Rivers of Narmada district are Narmada, Karjan, Main, Ashwini and Tarap. Narmada is primarily an agricultural district with Cotton and Tuver as the predominant crops. The other major crops cultivated are Sugarcane, Wheat, Banana, Pulses, etc. About 58.20% of land holdings are with small and marginal farmers.

Narmada district has 4 sub-district and 558 inhabited villages and 51 uninhabited villages. Narmada district is the 3rd lowest populated district in the State. In Narmada district, Sub-district Nandod has the highest population (241053) whereas sub-district Tilakwada has the lowest (63871). Among villages Chikda village of Sub-district Dediapada is the most populated village (3921) and Siyali village of the same sub district has the lowest population.

MAP 3.2 MAP OF NARMADA DISTRICT DISTRICT



Narmada district has sex ratio of 961 (no. of females per 1000 males). Among sub-districts, Sagbra has the highest sex ratio of 1013 and Tilakwada has the lowest sex ratio of 924. Narmada has child sex ratio of 941. Sub-district Sagbra has the highest child sex ratio of 966 and Tilakwada has the least child sex ratio of 891. District has the literacy rate of 72.31 % and female literacy rate 63.09%. Sub – district Tilakwada has the highest literacy rate of 79.03% and Dediapada has the lowest literacy rate of 64.54%. The economy of the district is basically dependent on agricultural activities as 85.09% workers are engaged in agricultural work.

NABARD’s initiative on Natural Resources Management with focus on Tribal development under the development of Joint Liability Group, Self Help Group, Farmer Clubs, Watershed development etc. will be having long term bearing in overall development of the district.

To give thrust to the identified sector/activity by enhancing term loan disbursements through a banking plan, implementation of area based schemes has been suggested as a coordinated effort of NABARD, Lead Bank, other banks, line departments and other important stake holders. ‘WADI’ model is holistic in approach, addressing production, processing and marketing of produce and other livelihood needs. Government of India has established the

National Adaptation Fund on Climate Change (NAFCC) with a budget provision of Rs.350 crores for the year 2015-16 and 2016-17. NABARD has been appointed as National Implementing Entity (NIE) responsible for implementation of adaptation projects under the Fund.

Gujarat has been considered as a huge potential market in terms of microfinance. Researcher has selected Kheda and Narmada district as there is an existence of special microfinance branch of Indian Bank in Kheda, Gujarat is having only one special bank branch for microfinance activity in Kheda district and huge potential available in Narmada district.