

Chapter V

THRIFT CREDIT OPERATIONS OF SHGS IN THE IN THE DISTRICTS OF UTTAR AND DAKSHIN DINAJPUR

5.1 Introduction

The most important component of the micro finance schemes are thrift and credit group. These thrift and credit groups operated their operation through self-help group mechanism. The members of the group are playing the most important part in application of the scheme SJSRY. So, all the activities of the members like team building, creating own corpus, organizing meeting, creating savings habit within the members, documentation of the proceedings of the meeting etc. have to be studied in details. Here, in this chapter, the details of the members from the context of their general characteristics as well as members of the group will be discussed.

5.2 General & Demographic Profile Of SHGs

Leaders of 458 groups of the district of Uttar and Dakshin Dinajpur were circulated questionnaire and information has been received from 7368 members of 458 that groups.

Age group of the member: In the districts of Uttar Dinajpur and Dakshin Dinajpur, It is found that among the members of the group, most of them lie between at the age of 18-35 years. In this case, 458 numbers of groups consisting 7368 members were given questionnaire in the district of Uttar and Dakshin Dinajpur and their responses were presented in tabular form as on 2008-09.

5.2. a) Age Group Of The Members Of The Group:

Age group	Number of Members	% of Total Members
Below 18 years	-	--
18-35 years	4624	62.73
36-50 years	1432	19.45
Above 50 years	1312	17.82
Total	7368	100

Source : Field Survey

It has been shown from the above table that out of 7368 members of 458 groups, 4624 members i.e. 62.73% lies between in the age of 18 to 35 years, 1432 members i.e. 19.45% lies between the age bar of 36 to 50 years and 1312 members i.e. 17.82% of members lies above 50 years. No members were found below 18 years in the groups. So, it is found that large number of members lie between 18 to 35 years. It implies that most of the members of the group can able to work hard because they fall in the age group of 18 to 35 years.

5.2. b) Literacy Level:

Category	Number of Members	% of Total Members
Illiterate	1052	14.27
Up to class iv	1988	26.98
Class v to matric	2906	39.44
Matric to HS	940	12.75
Above HS to Graduate	486	6.56
Total	7368	100

Source : Field Survey

It has been found that regarding literacy level of the members, 1052 members i.e. 14.27% are illiterate, 1988 members i.e. 26.98% of member's qualification was up to class iv, 2906 members i.e. 39.44% of the members' qualification level were matric, 940 members i.e. 12.75% members qualification was matric to HS and 486 members i.e. 6.65% of the members were HS to graduate. It has been found that most of the members lie between the ranges of qualification of class v to matric.

5.2.c) Marital Status Of Members

Marital Status	Number of Members	% of Total Members
Un married	1788	24.26
Married	4196	56.92
Widow	1384	18.77
Total	7368	100

Source : Field Survey

It has been found from the above table that among 7368 members 1788 i.e. 24.26% were unmarried, 4196 members i.e. 56.92% were married and 1384 members i.e. 18.77% members were widow. It is found that all the members in the district of Uttar and Dakshin Dinajpur are women and it has been observed most of the members were housewife.

5.2.d) Size Of Family Of the Members:

Category	Number of Members	% of Total Members
1-2 child	2284	31.01
2-3	3462	46.98
3-4	1516	20.57
4 & above	106	1.44
Total	7368	100

Source : Field Survey

Regarding the size of the family, it is found that out of 7368 members, 2284 members have 1 to 2 children (31.01%) in their family, 3462 families (46.98%) have 2 to 3 children. 1516 families (20.57%) have 3 to 4 children and only 106 families (1.44%) have more than 4 children. It is observed that maximum families have 2 to 3 children in their family.

5.2.e) Selection Criteria Of the Members Under SJSRY:

Category	Number of Groups	% of Total Group
Economic	6345	86.15
Non economic	1023	13.85
Total	7368	100

Source : Field Survey

Under the scheme of SJSRY, the members should be from BPL category. BPL category can be ascertained from economical as well as non-economical point of view. In the above table, the BPL category has been measured from economical as well as non-economical point of view. It is found that out of total 7368 members, 6345 i.e. 86.15% have been considered as BPL according to economic criteria and 1023 members have been considered as BPL according to non-economic criteria.

5.2.f) Occupation Of Spouse Of the Members:

Category	Number of Members	% of Total Members
Agriculture	3522	47.81
Artisan	1612	21.87
Grocery Shop	1512	20.52
Trader	578	7.85
Seasonal Worker	144	1.95
Total	7368	100

Source : Field Survey

The districts of Uttar and Dakshin Dinajpur are economically backward. The spouses of the members of the groups are engaged in different types of micro activities. Out of the total 7368 members, it is found that 3522 members i.e. 47.81% of the members are engaged in agricultural work, 1612 members i.e. 21.87% of the members were engaged in the work of an artisan, 1512 members are engaged in the work of grocery shop business, 578 persons i.e. 7.85% are engaged in trading business and 144 persons i.e. 1.95% of the members are engaged in different seasonal work.

5.3 Meeting

Conducting regular meeting is the key to success for the self help group. The decision of the group is taken after discussion with all the members of the group. It is a democratic set up. The groups conduct at least one meeting per month. The members of the group discuss all the matters of the groups in the meeting and the final decisions are taken on the basis of the discussion of the meeting. If the regular meeting was not held, then the decision of the group leader would be the decision of the group. It cannot serve the purpose of the scheme. Leaders of 458 groups in the districts of Uttar and Dakshin Dinajpur were circulated questionnaire and information has been received from 7368 members of 458 groups. Different aspects of the meeting can be found from the following tables:

5.3.a) Average Number Of Meeting in a Year

Meeting	Number of Groups	% of Total Group
Less than 12	62	13.54
12 to 20	389	84.93
More than 20	7	1.53
Total	458	100

Source : Field Survey

Out of 458 groups considered in the districts of Uttar and Dakshin Dinajpur, it is found that in only 62 groups i.e. in 13.54 %, the number of meeting was less than 12, in 389 groups, i.e. in 84.93% groups there were 12 to 20 meetings in a year and in only 7 groups there were more than 20 meeting within a year. So, it was found that at least one meeting per month was held in all the groups for the decision of the group. The regular meeting of the group indicate that he group members are conscious and want to take decisions after discuss with all the members of the group. The decision of the group represents the decision of the members.

5.3.b) Attendance Of Members' in Group Meeting:

Avg. Number of Members Present in meeting	Number Groups	% of Total Groups
All members	334	72.93
More than 75%	98	21.39
More than 50%	22	4.80
Less than 50%	4	0.88
Total	458	100

Source : Field Survey

Attendance of members in meeting is very important in case of a meeting. It has been seen that out of the 458 groups, 334 groups have reported that all members were present in the meeting. It was 72.93% of the total group. 98 groups have reported that more than 75% members were presented in the meeting. It is 21.39% of the total. 22 groups have reported that in a meeting more than 50% of the members were presented. It is 4.80% of the total group. Only 4 groups reported that less than 50% of the members are presented in the meeting. It is only 0.88% of the total group.

It can be shown that all members of the group are present in most of the meeting. It indicates that the members are aware about their role in the group. They want to take a decision after discuss with all other members. They used to give their opinion regarding what is to be done and what not.

5.3.c) Participation Of Members in-Group Meetings for Decision-Making:

Decision taken by	Number of Groups	% of Total Groups
All members	396	86.46
Some members	54	11.79
Group leader	08	1.75
Other	--	--
Total	458	100

Source : Field Survey

Out of 458 groups, the members of 396 groups reported that all the members of the group took the decision of the group. It was 86.46% of the total. The members of 54 groups reported that some members of the group take the decision. It is 11.79% of the total and members of only 8 groups reported that decisions are taken by the leader of the group. It was only 1.75% of the total. In most of the cases it is shown that the decisions of the group are taken after discussion with other members. It implies that the group members are of very democratic attitude and they have a very good team concept within them. The members have confidence on other members of the group. In other word the members can think in the same line i.e. the groups are homogeneous group, which is one of the pre conditions of forming group under the scheme SJSRY.

5.3 Keeping Records

Regarding the maintaining the records, it can be said that though the groups are run by less educated people, in spite of that it is shown that the ledgers, cashbooks, resolution books and notice books has been maintained by the groups in a well-defined manner. In this case 458 members of different 458 groups of the districts of Uttar and Dakshin Dinajpur were circulated questionnaire and information has been received from 7368 members of 458 groups. Different aspect of the records keeping can be found from the following tables.

5.4.a) Maintenance Of Resolution Books and other Documents

Records are maintained in	Number of Groups	% of Total Groups
Cash book	458	100
Resolution book	458	100
Ledger other	458	100
Total	458	100

Source : Field Survey

Regarding the maintenance of records, all the 458 groups reported that they maintain cashbook, documents. Resolution book and ledger book along with other necessary documents. It can be found that all the groups keep records of the meeting. It indicate the members of the group are well acquainted about what documents are to be maintain for running a group.

5.4.b) Agenda Of the Meeting

Agenda of meeting	Number of Groups	% of Total Groups
Decided by all members	396	86.46
Some members	54	17.79
Group leader	08	1.75
Total	458	100%

Source : Field Survey

Out of 458 groups, the members of 396 groups reported that all the members of the group selected the agenda of the meeting. It is 86.46% of the total. The members of 54 groups reported that agenda is selected by some members of the group. It is 11.79% of the total and members of only 8 groups reported that agenda was selected by the leader of the group. It is only 1.75% of the total. In most of the cases, it is found that the agenda of the meeting are prepared by the leader of the group after discussion with other members. It indicates that the group leader considering the needs of the group members equally. He/She does not prefer any particular member of the group. It implies that the group members are of very democratic attitude and they have a very good team concept within them. The members have confidence on other members of the group.

5.5 Operations of Groups

5.5.1 Thrift

The financial operation of the SHGs is unique. In the scheme of the SJSRY, the main intention is to create a savings habit within the members of the group. So, at first some members from the homogeneous background were selected to form a group and initially the group members started savings a minimum amount according to their capacity in their group's name. They opened a bank account and every month they deposited their groups' contribution into the bank. This fund is known as own fund. This mechanism gives birth of a confidence within the members that they can also save money. At this stage, they use this money according to their need by taking the loan from the owned fund. They also paid interest @ 2% per month on the amount of loan. This fund they used for business as well as personal purposes. After one year,

they get revolving fund from the government. This fund can be used only for business purposes. The detail of the financial operations of the groups is given in the following tables:

5.5.1.a) Distribution Of SHGs according to Monthly Contribution

Monthly contribution	Number of groups	% of Total Groups
Rs. 10 per month	222	48.47
Rs. 20 per month	66	14.41
Rs. 30 per month	42	9.17
Rs. 50 per month	90	19.66
Rs. 50 & above	38	8.29
Total	458	100

Source : Field Survey

One of the basic characteristics of the scheme SJSRY is that the members of the group should contribute a monthly contribution to build own corpus for inter loaning purpose .Among the group studied, it is found that out of 458 groups, 222 group members monthly contributed @ Rs. 10 per month. It is 48.47% of the total group studied.66 group member's monthly contribution was @ Rs.20, which is 14.41% of the total group.42 group members monthly contribution was @ Rs. 30, which is9.17% of the total group.90 group members contributed @ Rs. 50 per month which is 19.66% of the total group and 38 group members have contributed more than Rs. 50, which was 8.29% of the total group. In most of the cases, it is seen that most of the group members contribute Rs. 10 per month for forming the group corpus. It indicates though the members of the group had come from BPL families, still they felt need to form a group corpus and fight against the poverty.

5.5.1.b) Group Corpus:

Amount	Number of groups	% of Total Groups
Up to Rs.5000	58	12.67
Rs.5001-15000	172	37.55
Rs.15001-30000	102	22.27
Rs 30001-50000	78	17.03
Rs.50000 & above	48	10.48
Total	458	100

Source : Field Survey

Out of total 458 groups, it was found that 58 groups have their own corpus up to Rs.5000, it was 12.67% of the total. 172 groups have their corpus up to Rs 5001 to Rs. 15000 and it was 37.55% of the total group .It is also found that 102 groups have their own corpus amounting to Rs.15001 to Rs.30000 and it is 22.27% of the total group, and 78 groups have corpus of Rs.30001 to Rs. 50000, which was 17.03% of the total group. There are 48 groups whose corpus was Rs.50000 and above. It is shown that most of the groups' own corpus lies between Rs5000 to Rs. 15000.It indicate the members have come from a BPL families and contributing minimum contribution towards their contribution. They have realized the importance of forming a group under the scheme SJSRY. They know that loan can be taken from own corpus.

5.5.1.c) Frequencies Of Collection Of Inter Loaning Installments from Members:

Installments	Number of Members	% of Total Members
Quarterly	4	0.87
Monthly	452	98.69
Bi-monthly	2	.044
Weekly	-	0
Daily	-	0
Total	458	100

Source : Field Survey

The contributions of the members are collected in different time intervals. It is found that out of 458 groups only four groups paid installment on quarterly basis, it is only .87% of the total and 452 groups have paid the installment on the monthly basis, it is 98.69% of the total group. Only two groups have paid the installment on bi-monthly basis, which is only 0.044% of the total groups. It has been observed from the above table that almost all the groups paid the installment on monthly basis. It is shown that most of the members paid their loan installments on the monthly basis. It indicates that they are using the loan amount for business purposes and generating some income. They are paying the installments from their income.

5.5.1.d) Use Of Fund by the Members

Fund used by	Number of Members	% of Total Members
The beneficiaries	3976	53.96
Husband of the beneficiaries	3138	42.59
Other relatives	254	3.45
Total	7368	100%

Source : Field Survey

The members of 458 groups have given opinion about 7368 members of the groups. Regarding the fund use by the members, out of 7368 members, 3976 members have reported that they used the fund for their own business. It is 53.96% of the total members of the group. 3138 members have informed that their husband for business purpose used their fund. It was 42.59% of the total members of the group. 254 members have informed that other relatives used the funds of the members. It is 3.45% of the total number of the members. It is observed that maximum amount of the fund is used the members for their own business purposes. It indicates that most of the members are doing business of their own. Sometime it is shown that the members have their existing business. Their investment of further capital would increase the income generating power of the said existing business. In that case the members of the group did not take the burden of setting new business rather they have concentrated to expand the existing business of her husband.

5.5.2 Economic Activities Of The Group

The objective of the scheme SJSRY is to provide employment to the beneficiaries and reduce the under employment. So, to fulfill the objective of the scheme the beneficiaries engage in different types of economic activities in the districts of Uttar and Dakshin Dinajpur. The descriptions of such economic activities are shown in the following table:

Table 5.5.2.a
Economic and Other Activities Of Members

Activities	Number of Group	% of Total Groups
Grocery shop	66	14.41
House dairy	97	21.18
Agricultural work(Kutti)	49	10.70
Artesian	58	12.67
Poultry	32	6.99
Chira muri making	39	8.52
Chatu making	16	3.49
Tailoring work	34	7.42
Spices(Trading)	26	5.68
Transport business	08	1.75
Other seasonal work	14	3.05
No economic activities	19	4.14
Total	458	100

Source: Field Survey

It has been seen from the above table that the 458 members who have filled up the questionnaire out of them 66(14.41%) members run grocery shop, 97 members(21.18%) are engaged in house dairy business, 49(10.70%) are related with agricultural work. In agricultural work, a large number of members engaged in preparing rice. It is called “kutti”.58(12.67%) members are artesian. 32(6.99%) members are running poultry business. 39(8.52%) members preparing chira and muri and 16(3.49%) members are preparing chatu.34 (7.42%) members are doing tailoring business and 26(5.68%) members are making packed spices and selling in the market

or sale on door to door. 8 members have purchased rickshaw by the loan amount and given the rickshaw on hire. 14(3.05%) are engaged in different seasonal business. 19 (4.14%) members are not doing any economic work. They have used the loan amount for consumption purpose or for their personal needs. It has been observed that before joining the group a large number of the poor people were not doing anything. Under the scheme SJSRY they have got loan and doing different types of economic activities for their livelihood. It is seen that before joining the group most of the members only looking after their family, they did not have any economic activities.

5.6. Inter- Loaning

Inter loaning operation is the most important factor of the financing mechanism that fulfill the purposes of the members of the groups. The members of the group take loan from their groups fund and repaid it with some interest. The interest earned by the group is distributed among the members of the group at the end of the year. Thus by inter loaning the members are benefited in two ways. Firstly they can use the loan amount according to their need and it give them financial support and secondly, they earn interest at the end of the year by inter loaning. The inter loaning facilities have met the financial need of the members of the group. Previously, before forming of the group, in case of financial need the poor people had to go to the moneylender for loan at an exorbitant rate of interest. The members have to pay huge amount of interest each and every month. The members could not able to pay the interest and as a result, the amount of loan would have increased day by day. The moneylender ate all the income of the poor people away. The inter- loaning facility

have saved the members from the debt trap of the money lender. Different aspects of the inter loaning is discussed in the following tables.

5.6.1.a) Frequencies Of Inter-Loaning to the Members:

Frequencies	Number of Groups	% of Total Groups
Quarterly	104	22.71
Monthly	354	77.29
Bi-monthly	0	0
Weekly	0	0
Daily	0	0
Total	458	100

Source : Field Survey

The amount, which was accumulated in the account of the groups, was given, as loan to the members of the group is called inter-loaning. It can be seen that out of 458 groups, 104 groups have given loan to their members at three months interval. It is 22.71% of the total. It is also found that 354 groups have given loan to their members at an interval of one month. It was 77.29% of the total group. It is found that most of the groups offer their groups loan on monthly basis. Here one thing should be mentioned that one member would be eligible for new loan after paid of the previous loan. It is shown that most of the groups have given loan to their members monthly. Previously, the groups would give loan to their members at a long interval due to shortage of fund. Now, the situations have changed and the groups can give loan to their members at a shorter interval. Still the demand of loan is less than the total fund of accumulated fund. The members don't get adequate amount of loan during festival period due to shortage of fund.

5.6.1.b) Average Amount Of Loan Per Member Per Year

Amount	Number of Groups	% of Total Groups
Less than Rs 5000	36	7.86
Rs. 5000-Rs. 10000	166	36.24
Rs.10000-Rs.15000	146	53.72
Rs.15000-Rs.20000	10	2.18
Rs.20000 & above	-	--
Total	458	100

Source : Field Survey

The thrift and credit groups offer loan to their members when the members need it. It is found that in 36 cases i.e. in 7.86% cases average amount of loan was less than Rs. 5000 per year. In 166 cases, the amount of loan per year per member was Rs. 5000 to Rs.10000. It was 36.24% of the total. In 146 cases, the amount of loan is Rs.10000 to Rs.15000 and it was 53.72%. 10 members got loan of Rs.10000 to Rs. 15000 per year and it is only 2.18% of the total. So, it is observed that in most of the cases, the members got a loan of Rs.10, 000 to Rs.15, 000 per year from corpus of the group. It can be seen that the maximum loan was ranging from Rs5000 to Rs. 15000 per member per year. All the groups though at present have accumulated good amount of fund, still it is less than the need of the members.

5.6.1.c) Purpose Of Inter-Loaning:

Purpose	Number of Members	% of Total Members
Personal	403	5.47
Bus. of husband	695	9.44
Existing Business	3871	52.53
New Bus.	1537	20.86
Children's Education	862	11.70
Total	7368	100

Source : Field Survey

It can be seen from the above that out of 7368 members of 458 groups, 403 members have been used the money which they have got from loan for personal purpose. It is 5.47% of the total members. It is also shown that 695 members have used the loan amount for their husbands' business. It is 9.44% of the total. 3871 members have used the amount of loan for their existing business and it was 52.53% of the totals. 20.87% i.e. 1537 members have utilised the amount of loan for new business. 862 members i.e. 11.70% of the members have used the loan amount for the education of their children. It is observed that maximum amount of loan was used for existing business of the beneficiaries. It can be seen from the above table that the beneficiaries used the loan fund for different purposes. The members even spent the loan amount for the education of the children. At present, It is seen that the number of school going student has increased. This is to some extent due to the introduction of the SJSRY scheme. The women are forming group and generating income from the group activities and spending a part of their income for the education of their child.

5.6.1.d) Interest On Inter-Loaning (Per Month)

Rate of interest	Number of Groups	% of Total Groups
Less than 2 %	--	0
Exact 2%	412	89.95
(3 to 4)%	46	10.05
(4 to 5)%	--	0
Total	458	100

Source : Field Survey

In the district of Uttar and Dakshin Dinajpur, it is seen that the rate of inter-loaning was fixed at 2% per month and most of the groups followed that rate of interest through out the districts. It should also be mentioned here that at the end of the year most of the portion of income, which was derived from interest, were distributed among the members of the group. The rate of interest seems to be little higher but it is much lower than the private source in the market. At the end of the year total interest earned through inter loaning is distributed to the members of the group. So, the actual interest rate on interest on inter loaning is much lower than prescribed interest rate per month.

5.6.1.e) Inter Loan Repayment Period:

Amount	Number of Groups	% of Total Groups
Less than 10 months	26	5.67
Exact 10 months	325	71.19
More than 10 months	107	23.14
Total	458	100

Source : Field Survey

According to the scheme of SJSRY, the loan amount should be repaid within 10 installments. It was shown that out of 458 groups in the districts of Uttar and Dakshin Dinajpur, in 26 groups the members have repaid the amount of loan within less than 10 installments, which was 5.67 of the total groups, 71.19% of the groups i.e. in 325 groups members have repaid their loan in exact 10 installments, and in 107 groups i.e. 23.14% of the groups members have repaid their loan in more than 10 months. It is observed that in most of the cases, loan was repaid within 10 installments. It indicates that the group members are taking loan and repaying it in 10 equal installments. One thing is to mention here that after repaying the loan by one member the other members gets the loan. So, there is always peer pressure on the members and due to this they repay the loan in time.

5.6.1.f) Purpose Of Taking Loan by Members:

Purposes	Number of Members	% of Total Members
For repaying loan	462	6.27
Setting new enterprise	738	10.02
Expanding the existing one	4194	56.92
Education of children	1974	26.79
Social functions	---	---
Other	---	---
Total	7368	100%

Source : Field Survey

From the above table, it is found that out of total 7368 members we have considered, 462 have reported that they have utilised the loan for repaying the

previous loan. It was 6.27% of the total members.738 members informed that they have utilised the loan amount for setting new enterprises and it was 10.02% of the total members.4194 members have informed that they have used the loan amount for expanding their existing business. It is 56.92% of the total members considered.1974 members have informed that they have used the loan amount for education of their children and it is 26.79% of the total members. It has been observed that a large portion of the loan amount has been utilised for expansion of existing business.

5.6.1.g) Whether Inter Loaning is Allowed to Outsiders by the Group

Event	No of Groups	% of Total Groups
Inter loaning is restricted within the members	458	100
Inter loaning is allowed to outsiders	---	---
Inter loaning is allowed to outsiders according to situations	---	---
Total	458	100%

Source : Field Survey

From the above table it can be found that out of 458 groups, all groups informed that inter-loaning was not allowed to the outsiders .Inter loaning is only allowed to the members of the group. It indicates that the members need loan and they can use the loan amount in the business. In most of the cases it was found that the accumulated fund of the groups are less than the needs of the members.

5.6.1.h) Recovery Of Loans from Group

Recovery of Loan	No of Groups	% of Total Groups
Most of the times as per schedule	396	86.46
Only few times as per schedule	62	13.54
Never as per schedule	-	
Total	458	100%

Source : Field Survey

Under the scheme SJSRY, granting loan to the members and recovery of loan from them are the prime activities, which lead the scheme to the success. It has been found that out of 458 groups, 356 groups paid off the loan as per the schedule time. It is almost 86.46% of the total group .It is also found that 62 groups paid off the loan, but not as per schedule time .It was 13.54% of the total group we have considered. So, it is observed that almost all the members paid the loan under the scheme, out of them most of the groups as per schedule and some of the groups are not. The high rate of recovery indicates that the groups are doing good business and they have the capacity of repaying loan installments in time.

5.6.1.i) Amount Of Monthly Installment to Repay the Inter Loan

Amount	No of Members	% of Total Members
Less than Rs. 250	5564	75.52
Rs. 250 to Rs500	1274	17.29
Rs. 500 to Rs. 1000	332	4.50
Rs. 1000 to Rs. 2000	198	2.69
Rs. 2000 and above	----	----
Total	7368	100%

Source : Field Survey

In this case 458 members of different 458 groups of the districts of Uttar and Dakshin Dinajpur were circulated and information has been received about 7368 members of 458 groups.

It is found that out of total 7368 members, 5564 members have paid their loan installments amounting Rs. Less than Rs. 250 per month to repay the loan, it is 75.52% of the total members. 1274 members have paid their loan installments amounting Rs.250 to Rs.500 per month to repay the loan, which is 17.29% of the total members. 332 members have paid their loan installments amounting Rs. 500 to Rs.1000 per month to repay the loan, which is 4.50% of the total members. 198 members have paid their loan monthly installments amounting Rs.1000 to Rs.2000, which was 2.69% of the total members. No members have paid monthly installments of Rs.2000 and above among the total members. It was observed that most of the members paid off their loan in 10 to 12 installments.

5.6.1.j) Whether Members Repay Loan Within Time Frame

Sources	No of Groups	% of Total Groups
Within the time limit	389	83.93
Not within time limit	57	12.44
Not repaid	12	2.63
Total	458	100

Source : Field Survey

In terms of the repayment of loan in time, it is shown that out of 458 groups, 389 groups have paid the loan installments within time limit; it is 83.93% of the total group. It is also seen that 57 groups have paid their loan installments but not within

the specified time limit. It is 12.44% of the total group. 12 groups have not paid their full amount of loan until the data is collected. It is only 2.63% of the total groups have considered here. It is shown from the above table that the members are very particular about repaying of loan in time. One thing is to mention here that after repaying the loan by one member the other members gets the loan. So, there is always peer pressure on the members and due to this they repay the loan in time.

5.7 External Loan

The bank is the main contributor for the success of the scheme SJSRY. Unless the bank provides finance, the thousand efforts of the members of the group cannot be fulfilled. Bank provides loans to the group, guide the members during their activities as entrepreneur, provide them expertise knowledge and helps the members when they are in need. So, the role of the bank for the success of the scheme is inevitable. In this case 458 leaders of different 458 groups in the districts of Uttar and Dakshin Dinajpur are circulated questionnaire and information has been received from 7368 members of 458 groups. The detailed information of the bank in respect of the scheme and the perceptions of the members regarding the activities can be found from the following tables:

5.7.a) Source Of Loan to the Members

Sources	Number of Members	% of Total Members
Banks	5972	81.05
Friends	334	4.53
Moneylender	1062	14.42
Other		--
Total	7368	100%

Source : Field Survey

It was found that regarding sources of loan, out of 7368 members, 5972 members depend on the bank. It is 81.05% of the total members considered. 334 members got loan from their friends, which is 4.53% of the total members. 1062 members managed loan from private moneylender, which is 14.42% of the total members of the group. It has been observed that due to introduction of the scheme, the dependence on the moneylender has been reduced to a large extent. It indicates that the members of the group are very much dependent on the loan from bank because the rate of interest on the bank loan is much lower than the private source of fund. Besides that, bank allow subsidy to the members.

5.7.b) Distance Of Bank from Work Place

Distance	Number of Groups	% of Total Groups
Within 1 km	252	55.02
2 km to 3 km	156	34.06
4 km to 5 km	38	8.30
More than 5 km	12	2.62
Total	458	100%

Source : Field Survey

Distance of the bank from the house of the members of the group is one of the factors that effect the efficiency of the bank transactions. If the bank is nearer to the house of the members of the group that will definitely help the members regarding bank transactions. It is found from the above table that out of 458 groups, 252 groups have reported that the bank is within 1 k.m. from their house. It was 55.02% of the total group we have considered here. 156 groups have reported that bank is situated within 2 to 3 k.m. from their home. It is 34.06% of the total group. 38 groups have

reported that the bank was situated within 4 to 5 k.m. from their residence. It is 8.30% of the total group. 12 groups have reported that their house was situated about more than 5 k.m. from the bank .It was observed that in most of the cases the bank was situated within one k.m. from the members residence and helped the members to operate bank transactions efficiently..

5.7.c) Co-Operation Of the Family Members Regarding Bank Transactions

Co operation	Number of Members	% of Total Members
Always	4338	58.88
Sometimes	1966	26.68
Very often	852	11.56
Never	372	2.58
Total	7368	100%

Source : Field Survey

Co- operation of the family members is very much needed for the success of the members as well as the scheme. It is found from the above table that out of 7368 members, 4338 members reported that they always get the help from their family members always .It is 58.88% of the total members. 1966 members reported that they get the help from their family some times. It is 26.68 % of the total members.852 members have reported that very often they get help from their family members. It is 11.56% of the total members.372 members have reported that they never get any sort of help from their family members. It is 2.58% of the total members. It implies that the family members also realize that the SJSRY scheme has given them opportunity to generate income. So, the family members of the member are helping her in all aspects of activities.

5.7.d) Perception Of Members About Bank Transactions:

Opening a savings a/c	Number of Members	% of Total Members
Very easy	3173	43.08
Somewhat easy	3535	47.99
Somewhat difficult	461	6.27
Cannot say	76	1.03
Very difficult	119	1.63
Total	7368	100%

Source : Field Survey

In the above table, the perception of the members about opening a savings account in a bank has been taken. It was found that out of 7368 members, 3173 have been reported that opening a savings account in the bank is very easy, it is 43.08% of the total members and 3535 members have reported that opening a savings account in bank is somewhat easy, it is 47.99% of the total members. 461 members have reported that opening savings account in bank is somewhat difficult, it was 6.27% of the total members. 76 persons do not give their opinion regarding that, it is 1.03% of the total and 119 persons informed that opening savings account in bank is very difficult, it was 1.63% of the total. The literacy levels of the members of the groups are not very high. In spite of that, the members are transacting with the bank successfully. It indicates that the scheme has increased the confidence of the group members regarding activities of the business.

5.8 Conclusion

This chapter has been dealt with the demographic characteristics of the districts like age, sex, marital status, family sizes of the beneficiaries which are considered very

important for making any policy on delivery mechanism. It has been seen than more than 98% of the beneficiaries are women and are from BPL families. The literacy level of the beneficiaries is not high. Most of the beneficiaries fall under the age group of 18 to 35.

The scheme SJSRY is the only Government sponsored scheme that has given them opportunity to get financial assistance to start micro enterprises and to get employment opportunities. It has been seen that the scheme has created a savings habit among the beneficiaries which was one of the main objectives of the scheme. Inter loaning operation is also successfully operated among the groups and it serves their financial need to some extent and save them from taking loan from money lender. The prescribed rate of interest on inter loaning is high but at the end of the year most of the groups distribute the interest income to the members of the group. So, the actual rate of interest is less than the prescribed rate of interest.

The meeting is regularly conducted in case of most of the groups and the decisions of the meeting are taken after discussing the agenda in the meeting. Attendance of the members in the meeting is good but need to be improved by intervention of CDS officials and other government agencies. The beneficiaries engaged in different types of economical activities in the districts of Uttar and Dakshin Dinajpur. Though some problems have been identified regarding the outreach of the groups in different parts of the districts and financing, the overall performance is satisfactory. Some suggestions regarding improvement of the performance of the scheme SJSRY in these districts has been discussed in last chapter of the study.