

## **Economic impact of self-help group members in Baramulla district- An analytical study**

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### **Abstract**

This paper examines the economic impact of women SHGs on its members, both pre and post-membership, utilizing factors such as income, spending, savings, borrowings, and asset development. This study is based on primary data collected from the Baramulla district of J&K. Simple percentages, and Paired t-tests were employed as statistical methods. The study finds that women acquired confidence in their future and established a considerable level of self-reliance after joining a self-help group, resulting their improved economic conditions.

**Keywords:** Economic Impact, Self Help Groups, Economic Status, t-test, Micro Credit,

### **Introduction**

India's success is undeniably based on rural development. Even after seven decades of independence, it has fallen behind in many areas of development. Rural and urban India had 40 percent and 23.62 percent of the impoverished population. For financial necessities like marriage, illness, consumption, and purchasing productive assets, the rural masses continue to rely on non-institutional credit organizations. Despite the widespread usage of the official credit system in rural India, it has failed to relieve poverty and enhance the economic status of the poorest individuals. The most immediate need is to break the cycle of poverty and misery for the poor, allowing them to enjoy lives of pride, competence, and self-esteem. Every country's economic prosperity is guided by social development, and the two are intimately intertwined. "Self-Help Promotion" has evolved as a new model for poverty alleviation. This concept has demonstrated teamwork's importance and resulted in a reasonable conclusion. The economic impact of SHG on its participants is examined before and after membership, using variables such as income, expenditure, savings, borrowings, and asset development.

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In other words, if a person produces a surplus after paying all their living expenditures, they will set aside a portion of that surplus for investment in specific assets. He will not progress to the next level of saving due to a lack of sufficient wages. In the event of a negative surplus, the subject of purchasing an investment or asset will not arise. As a result, the present study includes the four essential characteristics that determine a member's economic position, as discovered and used in numerous economic impact assessment studies. Shiralashetti (2011), Nedumaran (2001), Jothi (2010), Sheikh Mohammad Feroze et al. (2006), and Murali (2006) used the factors mentioned earlier in their research on the economic impact of SHGs on its members.

**Statement of the Problem**

Microcredit has evolved as a viable financial technique for reaching the underprivileged in urban and rural areas. As reported elsewhere, whether micro-credit initiatives routed through self-help groups have proven to be a tremendous success in Baramulla District is worth investigating. The evaluation of the impact of SHGs on the beneficiaries has become critical. In other words, whether microcredits distributed by self-help organizations in the Baramulla district have helped recipients increase their standard of life by pursuing profitable micro-businesses is a subject that deserves more investigation. The present study aims to determine how much of an influence it has.

**Scope of the Study**

The study of women members in Baramulla district SHGs sheds information on women's position and the economic impact of SHGs. Women's empowerment is a pressing need, and SHG can help. This study looks at the economic effect from various perspectives and the ramifications for members of Self Help Groups. As a result, the current study is expected to benefit many stakeholders in the self-help group mechanism.

**Objectives of the Study**

1. To determine the respondents' perceptions of economic effect.
2. To look at the effects of economic variables on self-help group members after they join.
3. Determine the overall economic impact of the members of the Self-Help Group.

**Methodology****Sampling**

The participants in this research are members of Self Help Groups under the NRLM, which the Government of Jammu and Kashmir runs. For this investigation, multi-stage random sampling was used. In the Baramulla area, about 5585 Self Help Groups were in operation. The current study's sample size was 150 groups using a sampling algorithm. Self-help groups with a minimum membership of 12 were considered. Two office bearers were picked from each group in the last round, bringing the total number of people in the sample to 300. Because twenty questionnaires were missing critical information and twenty respondents refused to cooperate, they had to be dismissed. As a result, the total sample size is 280 people.

**Collection of data**

The present research is empirical and is based on a survey approach. Officials from the Baramulla District DRDA provided first-hand information for this study. The members were asked to provide primary data on the impact of SHGs on the economy. After reviewing relevant literature on self-help groups, the interview schedule was created.

**Framework of analysis**

Data was collected in tabular form, and statistical methods such as Paired t-tests and simple percentages were utilized to analyse it.

**Results and Discussion****Table 1****Age-wise Classification of the Sample Members**

<b>SNo</b>	<b>Age</b>	<b>No. of Members</b>	<b>Percentage</b>
1	Below 30	100	33.3
2	30-35	110	36.7
3	Above 35	90	30.0
<b>Total</b>		<b>300</b>	<b>100</b>

Source Primary Data

Table 1 displays the age distribution of the sample. The data shows that 100 members (33.3 percent) are under 30, while 110 members (36.7 percent) are between 30 and 35. Only 90 members are above 35, accounting for 30.0 percent. As a result of the investigation mentioned

above, it is clear that the SHG concept has caught on among the younger women of the Baramulla district.

**Table 2**  
**Literacy Level of the Sample Members**

<b>SNo</b>	<b>Literacy Level</b>	<b>No. of Members</b>	<b>Percentage</b>
<b>1</b>	Illiterate	<b>35</b>	<b>11.7</b>
<b>2</b>	Primary Schooling	<b>55</b>	<b>18.3</b>
<b>3</b>	High School Education	<b>85</b>	<b>28.4</b>
<b>4</b>	Higher Secondary Education	<b>70</b>	<b>23.3</b>
<b>5</b>	Graduate	<b>40</b>	<b>13.3</b>
<b>6</b>	Post-Graduate	<b>15</b>	<b>5.00</b>
<b>Total</b>		<b>300</b>	<b>100.0</b>

Source: Primary Data

The educational status of the sample respondents is shown in Table 2. A closer examination of the table indicates that members with a high school diploma account for 28.4 percent of the total, closely followed by members with a higher secondary education accounting for 23.3 percent. The table also shows that 13.3 percent and 5% of members with graduate and post-graduate degrees do not pursue economic gain through the Self-Help Group. In addition, 35 respondents (11.7%) are illiterate. As a result, it may be stated that high school and upper secondary school dropouts mainly operate SHGs in the Baramulla district.

**Table 3**  
**Average Annual Income of the respondents**

<b>SNo.</b>	<b>Income Range (in Rs.)</b>	<b>No. of members</b>	<b>Percentage</b>
<b>1</b>	10000 – 15,000	15	5.0
<b>2</b>	15,000 – 20000	30	10.0
<b>3</b>	20000 – 25,000	90	30.0
<b>4</b>	25,000 – 30000	120	40.0
<b>5</b>	Above 30000	45	15.0
<b>Total</b>		<b>300</b>	<b>100</b>

Source: Primary Data

The average yearly income of the respondents has grown remarkably, according to table 3. The number of members with an average annual income of between Rs. 25000 and Rs. 30,000 is 120 (40%); those with an average yearly income of between Rs. 20000 and Rs. 25000 are 90 (30%), and those with an average annual income of over Rs. 30000 are 45 (15%). The table also shows that respondents with an annual income of Rs 10000 to Rs 15000 and Rs 15000 to Rs 20000 had an average annual income of 15 (5%) and 30 (10%), respectively. This proves that SHGs in the study region have aided members in achieving economic empowerment.

**Table 4**

**Type of Family among the respondents**

<b>SNo</b>	<b>Family Pattern</b>	<b>No. of respondents</b>	<b>Percentage</b>
<b>1</b>	Small Family	186	62
<b>2</b>	Joint Family	114	38
<b>Total</b>		<b>300</b>	<b>100</b>

Source: Primary Data

Table 4 depicts the SHG members' family structure in the Baramulla area. The table shows that small families account for the majority (62 percent). During an interview, members claimed that the nuclear family arrangement allowed them to participate in group activities actively.

**Table 5**

**Locality of the respondents**

<b>SNo</b>	<b>Locality</b>	<b>No of respondents</b>	<b>Percentage</b>
<b>1</b>	<b>Rural</b>	240	80
<b>2</b>	<b>Urban</b>	60	20
<b>Total</b>		<b>300</b>	<b>100</b>

Source: Primary Data

The concept of SHG has grown immensely popular among the female population in the rural sector of the Baramulla district, as seen in table 5. Two hundred forty members from rural regions, accounting for 80 percent of the total, outnumbering their urban counterparts (20 percent). As a result, it can be stated that SHGs in the Baramulla district are primarily found in

rural areas. After examining the demographic profile of respondents, the research shifts to determining the Economic Impact of SHG on its members in multiple aspects.

**Table 6**  
**Marital Status of the respondents**

<b>SNo</b>	<b>Marital Status</b>	<b>No. of respondents</b>	<b>Percentage</b>
<b>1</b>	<b>Married</b>	<b>180</b>	<b>60</b>
<b>2</b>	<b>Unmarried</b>	<b>110</b>	<b>36.7</b>
<b>3</b>	<b>Divorced</b>	<b>10</b>	<b>3.3</b>
<b>Total</b>		<b>300</b>	<b>100</b>

Source: Primary Data

Table 6 shows that most members are married, with 180 representing 60 percent of the total and 110 representing 36.7 percent of the total. Ten members (3.3 percent) are divorced, according to the table. The absolute requirement of supplementing family income in these days of increasing prices and the unwillingness to be inactive while having extensive vocational abilities drives married members to pursue productive economic activity through SHG.

**Table 7**  
**Average Annual Income of the respondents**

<b>SNo.</b>	<b>Income Range (in Rs.)</b>	<b>Before Joining SHG</b>		<b>After Joining SHG</b>	
		<b>No. of respondents</b>	<b>%</b>	<b>No. of respondents</b>	<b>%</b>
<b>1</b>	10000 – 15,000	18	6.0	6	2.0
<b>2</b>	15,000 – 20000	32	10.7	16	5.4
<b>3</b>	20000 – 25,000	96	32.0	64	21.3
<b>4</b>	25,000 – 30000	69	23.0	78	26.0
<b>5</b>	Above 30000	85	28.3	136	45.3
<b>Total</b>		<b>300</b>	<b>100</b>	<b>300</b>	<b>100</b>

Source: Primary Data

Table 7 shows the respondents' income throughout the pre-membership and post-membership periods. One of the measures used to analyze the economic impact of SHGs on their members is income. A thorough data analysis reveals that 18 members earn between Rs. 10,000 and Rs.

15,000 monthly (6 percent). However, this number has dropped to just six (2%) members, indicating a positive economic impact and signaling that individuals in the lower income slab have graduated to a higher income slab. Members with wages between Rs. 15,000 and Rs. 20000 and those with earnings between Rs. 20000 and Rs. 25,000 are in the same boat. To put it another way, during the pre-membership era, the number of members in these two income slabs moved to higher-income slabs, i.e., Rs. 25,000 to Rs. 30000 and above Rs. 30000. As a result, it is reasonable to infer that SHGs in the Baramulla District have unquestionably improved the economic condition of their members.

**Table 8**

**Paired t-test for significant difference between income earned before and after joining SHG**

Income	Mean	S.D.	t value	P value
<b>Before joining SHG</b>	3860.45	621.74	5.314	0.000**
<b>After joining SHG</b>	4430.40	685.44		

Source: Primary Data \*\* Denotes significance at 1% Level

The effect of SHG on revenue has already been examined in the previous table. A paired t-test is used to assess the influence of SHG on members' revenue-generating. The findings show that the t value of 5.314 is significant at a 1% significance level. It means respondents' income levels have greatly improved after joining the SHG.

**Table 9**

**Consumption pattern of the respondents**

SNo	Item	Before Joining SHG (Rs)		After Joining SHG (Rs)	
		Rs.	%	Rs.	%
<b>1</b>	Food	970	16.3	1560	22.0
<b>2</b>	Health	880	14.8	1830	25.9
<b>3</b>	Clothing	665	11.1	940	13.3
<b>4</b>	Education	1330	22.4	2280	32.4
<b>5</b>	Festivals	2100	35.4	450	6.4
<b>Total</b>		<b>5945</b>	<b>100</b>	<b>7060</b>	<b>100</b>

Source: Primary Data

Table 9 shows members' spending patterns across several expense categories. An item-by-item examination of spending is undertaken. It is clear that members who spent Rs. 2100 on festivals (35.4percent) have begun to place less emphasis on this aspect, as it has shrunk to just 6 percent; on education Rs. 1330 (22.4 percent); clothing Rs. 665 (11percent); health Rs. 880 (15 percent); and food Rs. 970 (16percent) have shifted their priorities in the post-membership phase. In other words, the pre-membership priority pattern has completely shifted in the post-membership era. The fact that members spend Rs. 1830 (26 percent) on health care after joining the SHG indicates that members are becoming more aware of many elements of health.

Food, which cost less during the pre-membership time, came in second on the current priority list, with an average yearly cost of Rs. 1560. (22 percent). The members' fashion sense has improved, and the expense has been increased to Rs. 940. (13 percent). In terms of education spending, there has been no shift in priority. It is also reassuring to notice that members who used to spend lavishly on festivals/recreation have come to see the futility of doing so in the post-membership era due to the SHG's lifestyle upgrade. In short, increased expenditures on food, clothes, and health indicates that members' lifestyles are evolving, while decreasing expenses on festivals and leisure show that members' mindsets are growing due to their participation in SHG.

**Table 10**

**Expenditure pattern of the respondents**

SNo	Amount of Expenditure (in Rs.)	Before Joining SHG (Rs)			After Joining SHG (Rs)		
		No. of respondents	of	%	No. of respondents	of	%
<b>1</b>	Below 5,000	116		38.7	50		16.7
<b>2</b>	5000-10000	92		30.6	100		33.3
<b>3</b>	10000-20000	66		22.0	90		30.0
<b>4</b>	20000-30000	20		6.7	40		13.3
<b>5</b>	Above 30000	6		2.0	20		6.7
<b>Total</b>		<b>300</b>		<b>100</b>	<b>300</b>		<b>100</b>

Source: Primary Data

Table 10 shows the annual trend of spending per member—expenditure as a variable influencing economic status. A closer examination of the data discloses that 116 people, or 39 percent, paid



less than Rs. 5,000 before joining the SHG. This has shrunk to 50. (16.7 percent). During the pre-membership period, 178 members spent more than Rs. 5,000 but less than Rs. 3,0000. (59 percent). During the membership period, this number climbed to 230, accounting for 76 percent of the total; those paying more than Rs. 30,000 number twenty, accounting for 6.7 percent.

**Table 11**

**Paired t-test for significant difference between the expenditure incurred before and after joining SHG**

Savings	Mean	S.D.	t value	P value
<b>Before joining SHG</b>	2110.29	569.63	4.231	0.000**
<b>After joining SHG</b>	2562.42	625.52		

Source: Primary Data

As verified by the t value, it can be said that members raised their level of expenditure in the post-membership period due to a higher level of money gained by projects pursued through SHG. As a result, it may be stated that the SHG has resulted in a significant shift in the members' spending patterns.

**Table 12**

**Savings pattern of the respondents with different Agencies**

SNo	Name of the Agency	Before Joining SHG (Rs)		After Joining SHG (Rs)	
		Rs.	%	Rs.	%
<b>1</b>	Savings in Post Office	500	25	400	11.4
<b>2</b>	Savings in Bank	600	30	500	14.3
<b>3</b>	Savings in Chit Funds	900	45	600	17.2
<b>4</b>	Savings in SHGs	-	-	2000	57.1
	<b>Total</b>	<b>2000</b>	<b>100</b>	<b>3500</b>	<b>100</b>

Source: Primary Data

Table 12 summarises the many types of savings. The surplus left over after covering all needed expenditures is called savings, contributing to the members' success. Savings habits are instilled as one of the SHG's main components. It indicates an individual's economic strength. Comparing

pre-membership and post-membership savings reveals a shift in the members' saving patterns. The quantity of savings at the post office, which was at Rs. 500 (29 percent), and in chit funds, stood at Rs. 900, showing that members saved at post offices and chit funds before joining (45 percent). After the member joined the SHG, the savings picture changed dramatically. They moved their money from chit funds to SHGs and banks due to their regular transactions and connections with banks. After joining the SHG, the size of savings in the SHG has reached Rs. 2,000, accounting for 57 percent of total savings, closely followed by bank deposits of Rs. 600, accounting for 17 percent. In conclusion, the massive movement in the institutions where savings were deposited indicates that members are becoming more aware of different schemes and banking activities. As a result, the SHG model has indirectly promoted financial inclusion.

**Table 13****Saving pattern of the respondents in terms of the Size of Savings**

<b>SNo</b>	<b>Amount of Savings (in Rs.)</b>	<b>Before Joining SHG (Rs)</b>		<b>After Joining SHG (Rs)</b>	
		No. of respondents	%	No. of respondents	%
<b>1</b>	1000-5000	160	53.3	80	26.7
<b>2</b>	5000-10000	70	23.3	120	40.0
<b>3</b>	10000-15000	50	16.7	70	23.3
<b>4</b>	Above 15000	20	6.7	30	10
	<b>Total</b>	<b>300</b>	<b>100</b>	<b>300</b>	<b>100</b>

Source: Primary Data

Following the preceding table's analysis of saving habits, this table elucidates members' savings patterns. The amount of money saved represents the amount of money earned. The figure shows that members' pre-membership savings ranged from Rs. 1,000 to Rs. 5,000, suggesting a 53 percent savings rate. Only twenty members, or 7% of the total, could save more than Rs. 15,000 each. In this period, just 70 members (23%) could save between Rs. 5,000 and Rs. 10,000. Because of their involvement in SHG, their circumstances have drastically improved. Put another way, the SHG mechanism gives varying levels of support to members pursuing various economic goals to enhance their savings. As a result, 120 members (40 percent) may save between Rs. 1,000 and Rs. 10,000 in the post-membership term; 30 members (10 percent) might

save more than Rs. 15,000, and 80 members (27 percent) could save between Rs. 1,000 and Rs. 5,000. As a result, it can depend that SHG has played a substantial role in increasing the size of the members' savings in the studied region.

**Table 14****Paired t-test for significant difference between savings before and after joining SHG**

Savings	Mean	S.D.	t value	P value
<b>Before joining SHG</b>	2710.15	621.74	5.321	0.000**
<b>After joining SHG</b>	2628.30	685.44		

Source: Primary Data

Table 14 shows the results of a paired t-test used to determine the influence of SHG on respondents' savings levels. The table shows that their savings have increased dramatically since joining the SHG. The members' saving has significantly improved as the t value of 5.321 is highly significant at the 1% level. SHGs in the study region have thereby achieved one of the primary goals of the SHG idea, namely, encouraging members to save.

**Table 15****Borrowing pattern of the respondents**

SNo	Amount of Savings (in Rs.)	Before Joining SHG (Rs)		After Joining SHG (Rs)	
		No. of respondents	%	No. of respondents	%
<b>1</b>	Less than-5000	145	48.3	40	13.3
<b>2</b>	5000-15000	120	40.0	70	23.3
<b>3</b>	15000-25000	20	6.7	65	21.7
<b>4</b>	Above 25000	15	5.0	125	41.7
	<b>Total</b>	<b>300</b>	<b>100</b>	<b>300</b>	<b>100</b>

Source: Primary Data

Table 15 depicts the different loan slabs beneficiaries take before and after membership. The increase in loan amount is unquestionably a sign of the borrower's financial strength. Nonetheless, the loan amount may be used as one of the markers of a borrower's progress in their financial situation. During the pre-membership period, 145 (48%) beneficiaries took a loan of less than Rs. 5,000, while 120 members (40%) took loans of between Rs. 5000 and Rs. 15,000.

In the post-membership period, the situation has changed dramatically: 125 members (42%) took out loans of more than Rs. 25,000, while 65 beneficiaries took out loans of between Rs. 15,000 and Rs. 25,000. (22 percent). However, the number of members taking out loans between Rs. 5,000 and Rs. 15,000 has dropped dramatically from 120 to 70. As a result, the size of loans taken out by members has changed significantly.

**Table 16****Paired t-test for significant difference between borrowings before and after joining SHG**

<b>Savings</b>	<b>Mean</b>	<b>S.D.</b>	<b>t value</b>	<b>P value</b>
<b>Before joining SHG</b>	1730.41	591.63	4.213	0.000**
<b>After joining SHG</b>	2443.20	648.32		

Source: Primary Data

Because the t value is at 4.213 at a one percent level of significance, the table shows that the respondents' borrowing level has significantly improved after joining the SHG. As a result, it may be inferred that SHG has increased members' borrowing capacity.

**Table 17****Type of loans Borrowed by the respondents**

<b>SNo</b>	<b>Type of Loan</b>	<b>Before Joining SHG (Rs)</b>		<b>After Joining SHG (Rs)</b>	
		<b>Rs.</b>	<b>%</b>	<b>Rs.</b>	<b>%</b>
<b>1</b>	<b>Productive Loan</b>	3500	42	15000	71
<b>2</b>	<b>Consumption Loan</b>	4800	58	6000	29
<b>Total</b>		<b>8300</b>	<b>100</b>	<b>21000</b>	<b>100</b>

Source: Primary Data

The loan obtained for productive and consuming reasons is shown in Table 17. Before joining SHG, consumption loans averaged Rs. 4800 (58%) on average, while effective loans averaged Rs. 3500 (42%) on average. There has been a significant shift in the post-membership phase since the productive loan has increased to Rs. 15,000 on an average of 71 percent, while the consumption loan has decreased to 29 percent. In other words, it has reduced by half throughout this period. This positive change is to be credited for meeting the demands of SHGs.

**Table 18**  
**Overall Economic Impact of respondents**

<b>Income (in Rs.)</b>	<b>10000-15000</b>	<b>15000-20000</b>	<b>20000-25000</b>	<b>25000-30000</b>	<b>Above-30000</b>
Pre-Membership (in %)	6	11	32	23	28
Post-Membership (in %)	2	5	21	26	45
<b>Expenditure(in Rs.)</b>	<b>Below-5000</b>	<b>5000-10000</b>	<b>10000-20000</b>	<b>20000-30000</b>	<b>Above-30000</b>
Pre-Membership (in %)	39	31	22	7	2
Post-Membership (in %)	17	33	30	13	7
<b>Borrowing (in Rs)</b>	<b>below-5000</b>	<b>5000-15000</b>	<b>15000-25000</b>	<b>Above-25000</b>	
Pre-Membership (in %)	48	40	7	5	
Post-Membership (in %)	13	23	22	42	
<b>Saving (in Rs)</b>	<b>1000-5000</b>	<b>5000-10000</b>	<b>10000-1500</b>	<b>Above-15000</b>	
Pre-Membership (in %)	53	23	17	7	
Post-Membership (in %)	27	40	23	10	

Source: Primary data

SHG's influence on the economic component has already been investigated. On the other hand, this table highlights the actual economic impact on members due to SHGs' economic efforts. The

table shows that the member's income has increased significantly from 23 percent to 26 percent in the Rs. 25,000–Rs. 30,000 income bracket, and from 28 percent to 45 percent in the Rs. 30000 income bracket. Similarly, people earning between Rs. 10,000 and Rs. 15,000 have dropped their tax rate from 6% to 2%. In the post-membership period, individuals earning between Rs. 15,000 and Rs. 2,0000 have decreased from 11% to 5%. As a result, it can be deduced that the number of members in the high-income slab has increased significantly in the post-membership time.

In contrast, the number of members in the low-income slab has decreased substantially in the post-membership period. In light of the previous, it may be stated that the SHG idea has aided members in rapidly ascending the economic ladder. In terms of spending, the members' capacity to spend has improved since joining the SHG. In other words, the number of members in the higher spending bracket of Rs. 20,001 to Rs. 30,000 has increased from 7 percent in the pre-membership period to 13 percent in the post-membership period—those spending more than Rs. 30,000 have also increased from 7 percent in the pre-membership period to 7 percent in the post-membership period—those earning less than Rs. 5,000 were 39 percent in the pre-membership period. In the post-membership period, this proportion has dropped to 17 percent. However, there is no discernible difference between those earning more than Rs. 5,000 and those earning less than Rs. 10,000. In other words, this spending group's expenditure side has no economic consequence. As an outcome, it can be stated that SHG has significantly influenced spending beyond Rs. 20,000 and below Rs. 10,000.

Regarding member borrowing capacity, the table shows that SHG has significantly influenced those members who borrow more than Rs. 15,000 and those who borrow between Rs. 15,000 and Rs. 25,000. In other words, customers who borrow more than Rs in the post-membership period. Twenty-five thousand are charged a 42 percent interest rate. Borrowings between Rs. 15,000 and Rs. 25,000 have significantly impacted 22 borrowers in the post-membership period. Within Rs.15,000, there has been a significant decline in the low borrowings. In other words, those borrowing less than Rs. 5,000 have decreased from 48 percent to 13 percent in the post-membership era, while those borrowing more than Rs. 5,000 have increased.

The difference between Rs. 5,000 and Rs. 15,000 has fallen to 23 percent in the post-membership era, down from 40 percent in the pre-membership period. In conclusion, the SHG has unquestionably increased the borrowing capacity of its members. The SHG mechanism is

quite effective in terms of saving. From 53 percent before joining the SHG, the number of small savers in the Rs. 1,000 to Rs. 5,000 brackets has dropped to 27 percent in the post-membership era. The number of savers in the Rs. 5,000 to Rs. 10,000 range increased from 23 percent to 40 percent in the post-membership period, while those saving more than Rs10000 rose from 7 percent to 23 percent in the post-membership period. These statistics show that the SHG has unquestionably aided in developing a savings habit among its members. Given the above discussion, it can be argued that SHG has significantly influenced members of the economic spectrum in terms of increasing income and increasing the ability to spend, borrow, and save.

### **Conclusion**

The present study undertaken in the Baramulla district shows that SHGs have had a significant influence on the economic characteristics of women members. In other words, members have seen an increase in their income, capacity to expand, ability to scale up the economic ladder, savings, and standard of life. On the economic front, the SHG mechanism deserves credit for transforming the lives of self-help group members in the Baramulla District.

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