

CHAPTER 7

SUMMARY, FINDINGS, AND RECOMMENDATIONS

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CHAPTER 7

SUMMARY, FINDINGS, AND RECOMMENDATIONS

In the previous core chapters 5th and 6th, researcher has presented outcome of the data analysis of the study. Researcher's study is especially focussed on women BPL SHGs in Nashik District. Condition of the women at the grass-root level is very critical. Now a day, many government schemes have been promoted for empowering women. One of these schemes, SGSY has started self employment program for rural women through SHGs. By joining SHGs, economic activities and participation of rural women in economy made a beginning in the direction of poverty alleviation of BPL families in the country. SHGs are also contributing to social development, self reliance, decision making and confidence building of the women. It suggests that empowerment of women is possible through SHG activity.

Researcher has studied a sample of 10 Talukas out of 15 from Nashik District. This study is especially focused on economic empowerment of women through SHG. In this chapter, researcher has summarized the present research work, findings or outcomes of the study, limitations and scope for further research.

7.1 Summary of the Research Work:

The theme of the present work is distributed in seven chapters.

In first chapter, researcher has discussed the background of the research topic, viz. poverty in India, role of micro-finance in poverty alleviation, micro-finance for rural women, need for economic empowerment of women, role of government and NGOs in economic empowerment of women, role of micro-finance and SHGs in rural women development, micro-finance through SHGs, meaning, functioning and importance of SHG movement for economic and social development rural women and role of NABARD in delivering financial support to SHG movement. In this chapter researcher has also discussed about the importance of this research in the choice of topic.

In the second chapter, researcher has reviewed previous researches relating to women empowerment through micro-finance and SHGs. This chapter covers national

and international studies devoted to SHGs and women empowerment. Different studies given in this chapter explain role of micro-finance in poverty eradication, need for women empowerment, role of self help groups in women empowerment, role of SHGs in socio-economic development, decision making, self reliance and confidence level etc. The review covered all the set objectives of the study, which the researcher attempted to cover on the basis of secondary and primary data.

The third chapter of this study covers research methodology of this work. It covers choice of the topic, objectives of the study, statement of the problem, statements of hypotheses, scope and limitations of the study, sample design for primary data, tools of data collection, procedure of data collection, choice and measurement of variables and the method used in data analysis.

The fourth chapter, first of three core chapters of this study, covers the progress of SHG movement from global level to local level. This chapter is entirely based on secondary data; outcome of the secondary data is presented in this chapter. In the first part of this chapter, global initiative about micro-finance is given. In the second part of this chapter status of SHGs in historical perspectives till to date in India is given. In this part, physical growth of SHGs, growth of saving amount, growth of loan amount, position of outstanding, current status of SHGs, SHGs under SGSY and women exclusive SHGs in India is given. In the third part of this chapter position of SHGs in Maharashtra is given. In this part current status of SHGs in Maharashtra, position of SHGs under SGSY, growth of saving amount, loan amount, positions of outstanding etc are discussed at length. In the fourth and last part of this chapter, profile of Nashik District, position of SHGs under SGSY in Nashik District, savings of SHGs, loan disbursed to SHGs, gradation of SHGs, revolving funds provided to SHGs, economic activities taken up by SHGs and efforts taken for capacity building of SHGs are given. In this way, from global to local progress of SHGs is given with all details.

In the fifth chapter, second core chapter of this study, analysis of primary data is given with tables and graphs.

It covers socio-economic development of women through SHGs in Nashik District. In the first part of the chapter, socio-economic profile of the respondents is discussed with age, education, and social class-wise distribution of the respondents, type of family, occupational distribution of the sample, size of land holding and annual income of the respondents. The second part of the chapter discusses economic development of women through SHGs. By entering in SHG movement, asset holding of the respondents, income, saving- pattern changed. These changes are described with the help of primary data collected by the researcher. SHG members are mainly women, who didn't have assets before joining SHGs, becomes creditworthy after joining SHGs. They ask for small loans for their contingent domestic liabilities. Some of them started individual or group business with the help of SHGs bank linkage. Majority of them honestly repaid their loans regularly. They are running their small business successfully. Many businesses are agro-allied businesses and some businesses are depending upon raw material available in the Taluka, some are involved in retail trading of local products. Every SHG has generated some employment in the rural area whatsoever small that was almost zero before their association with SHGs. In the third part of the chapter, social development of women through SHG is discussed. Most of the respondents are belonging to lower caste, but their social development could be achieved through systematic cultivation of social responsibility, social recognition, social independence, social communication, social participation and social interaction in them.

In the sixth and last of the core chapter, the issues such as how is economic empowerment of women possible through self reliance of women, participation in decision making, improvement in self confidence and other factors of empowerment contributing to development of SHG members and organisers are appropriately discussed. All the analysis in this chapter is entirely based on primary data collected by the researcher and her observations in the field work. For economic empowerment, self reliance of women is a very important. So, they should be self motivated for membership of SHGs, self dependent for funds for savings and they should purchase their own asset with the help of SHGs. They can perform business

activity on their own reliability chose their business by themselves and keep their account themselves. They can sale their product on their own responsibility. All these activities can increase their self reliance. Every SHG can generate its own funds; decide its own rules and regulations is the most desirable act on the part of SHGs for self reliance. Participation in decision making process of women also improved through membership of SHG. Every SHG member can improve her confidence level by entering in SHG movement. Sample women SHG members and organisers participated in meetings, discussed their issues in the meetings of Federation. Their personalities developed with development in their confidence level due to their active participation in all the activities of SHGs. They have acquired some skills from training for business leading to elevate their confidence level in running the business. Some other factors like registration, gradation of SHGs are also discussed. Keeping record of meetings, savings, loans, passbook, are necessary factors for administration of SHGs. Attending Taluka meetings, auditing of SHGs transactions properly, determination of norms of profit distribution etc. are also important factors of empowerment of SHG members. All these factors of empowering women through SHG movement are discussed in this chapter.

Though this micro-study concerns a small sample of Nashik district, researcher is hopeful that her findings are only slightly different than the studies she had reviewed at National level. The behaviour of Women members of SHGs observed in this study can prove to be fairly representative at macro level, especially at National level.

7.2 Findings of the Study:

Findings of this study are divided into seven parts as detailed below:

7.2.1 Socio-economic status of Respondents:

- 1) Majority respondents are young. 50 per cent members and 58.02 per cent organizers are in young age.(Table 5.1 A and B)
- 2) There is greater illiteracy in women members and organizers. 39.20 percent members and 16.05 per cent organizers are illiterate. Most of the respondents are below secondary education.(Table 5.2 A and B)

- 3) Majority members are from backward category. More than 69 per cent respondents are from SC/ST/NT category. Near about 14 per cent respondents are from OBC category.(Table 5.3 A and B)
- 4) More than 90 per cent respondents are from nuclear family.(Table 5.4 A and B)
- 5) More than 60 percent respondents are labour.(Table 5.5 A and B)
- 6) More than 60 per cent respondents do not have land. Very few members have their own land, but this land is not sufficient to full fill their needs because these members are unable to get sufficient income from this land holding.(Table 5.6 A and B)
- 7) All the families are poor families, because basically the sample was drawn from BPL families with low income. Organizers are observed in somewhat better economic condition than members though they too belong to BPL families. Many women are not in earning position and many of them are earning very few amount.(Table 5.7 A and B)

7.2.2 Economic Development of Women through SHGs:

- 1) In Tribal Taluka Peth, Surgana, Baglan and Dindori Majority women don't have assets before joining SHGs. 44.14 per cent respondents did not have any assets before joining SHGs. However, after joining SHGs only 12.35 per cent women don't have assets. Barring a small fraction of respondents, 2 or 3 women, all purchased assets in every Taluka (Table 5.8)
- 2) There has been significant change in the income of the respondents after they joined SHGs. 54.32 per cent have responded sufficient change and 35.49 per cent have responded significant change in income (Table 5.9)
- 3) Every woman (100 per cent) who is SHG member has started to save some amount. (Table 5.10)
- 4) Women were not creditworthy before joining SHGs and they do not have any assets to offer as security against loan. Now, they could earn and save their own funds in SHG. On the basis of collective funds they become bankable by linkage with banks. Total 75.31 percent members have taken loans with the help of SHGs (Table 5.11)

- 5) Usually, those members who didn't have business units have utilised loans for consumption purposes (62.65 percent). A few members utilise loans for business purpose (37.35 percent). (Table 5.13)
- 6) Loans are mainly short (47.95 per cent) and medium (45.08 per cent) term loans. On account of small saving and investment capacity of the SHGs, very few loans are long term loans. (Table 5.14)
- 7) Repayments of loans are mostly regular. More than 90 per cent repayments are regular. It is very creditable that women are very regular about their repayment. Total SHGs which were selected reported very high tendency of regular payment. (Table 5.14 and 5.15)
- 8) 37.35 per cent of women SHGs have started their own or group business and participated in economic activity like business. (Table 5.13 and 5.17A1)
- 9) More than 85 per cent business holder SHGs are invested the amount of less than Rs. 1 lakh in their business and more than 90 per cent business holder SHGs got subsidy from the government. (Table 5.17A2 and B2)
- 10) There is no need of very harsh methods of recovery like money lenders or private banks. (Table 5.16)
- 11) Their daily turnover is small and they earn very little amount as profit. More than 87 per cent business holders reported less than Rs. 500 as a daily turnover and profit less than Rs. 12000 per year. (Table 5.29 and 5.30)
- 12) All SHGs have played very important role in creation of employment. (Table 5.31)
- 13) Majority of business holder SHGs are facing problem of marketing (79.34 per cent) and raising capital (53.72 per cent). (Table 5.32)

7.2.3 Social Development of Women through SHGs:

- 1) All the respondents reported positively for self responsibility and female education. More than 86 per cent reported economic and social change amongst them. The SHG movement played very significant role in social responsibility. (Table 5.33)
- 2) It is significant that few (21.30 per cent) women members entered in politics. Some of them are members of Gram panchayat in their own village. 22.22 per cent reported increase in political prestige (Table 5.34 A and B)
- 3) Due to participation in SHG movement, social recognition of member increased. More than 95 per cent respondents reported positive change in social recognition. (Table 5.36 A and B)
- 4) More than 90 percent women reported that they are playing important role in family and society. This is because of participation in SHGs. (Table 5.37 A and B)
- 5) More than 95 per cent respondents reported that, due to SHGs, family status of the members and organizers changed positively. (Table 5.37 A and B)
- 6) More than 95 per cent members are attending SHG meetings regularly and more than 85 per cent organizers are taking part get together. SHG members and organizers are taking part in SHGs functions and activities. Their social communication is increasing through SHGs. (Table 5.38, 39 and 40)
- 7) More than 95 per cent women members are taking part in social activity. However more than 85 per cent organizers are involved in social and cultural activities, they are motivating the members but they could not give much time for these activities due to number of responsibilities of SHGs. (Table 5.41 A and B)
- 8) Most of the SHG members are interacting with non-members of SHGs (79.6 percent). It leads to further development of SHGs. However a few business holder SHGs are seeking help of others for sale (28.93 percent). (Table 5.42 A and B)

From above conclusions socio-economic economic development of women is possible through SHG movement. Active economic participation of women through SHGs upgrades the socio-economic status of women. This proves hypothesis No. 1.

7.2.4 Self Reliance of Women through SHGs:

- 1) 88.65 per cent women members have their own assets now. Before joining SHG many women don't have any assets, but after joining SHG, they have purchase some assets for themselves and for their families. 87 per cent of the business holder SHG members have chosen their business by themselves. It shows that there is change in self reliance. (Table 5.8 and 6.2)
- 2) 76.85 per cent members have entered in SHG movement by their own decision. (Table 6.1)
- 3) 86.42 per cent of the members are using their own funds for savings. (Table 6.1)
- 4) 32.23per cent women are maintaining business account by themselves due to self responsibility. They are mostly self reliant about their membership and keeping accounts. (Table 6.2)
- 5) 28.10 per cent members are not taking help of others for selling their products. It indicates that selling skills also have developed this shows change in self reliance. (Table 6.2)
- 6) SHG members are mostly reliable on their SHG funds and their own expenses for performing SHG activities. There is no dependency on other members of the family. (Table 6.3 and 4)
- 7) More than 60 per cent of the SHGs are following their own rules. They are self reliant about their rules and regulations. (Table 6.5)
- 8) 72.22 per cent SHGs are maintaining their record by themselves. (Table 6.6)
- 9) 58.02 per cent SHGs have sufficient funds for their activities. (Table 6.7)

From the above findings, SHGs' and SHG members' economic self reliance is increasing because of their participation in SHG activities. The third statement of hypothesis also proved.

7.2.5 Decision Making of Women through SHGs:

- 1) 76.85 per cent of members have taken their own decision of membership of SHG. (Table 6.1)
- 2) Only 6.17 per cent women members are insured. They are not free to take decision to insure themselves. (Table 6.8)
- 3) All respondents are positively supported to female education. SHG movement has created awareness among members and organisers of SHGs regarding need and importance of women education. (Table 5.33)
- 4) 71.90 per cent of business holders choose their business themselves. (Table 6.2)
- 5) 69.44 per cent organizers have taken decision on setting of SHGs in consultation with the general consensus of members. (Table 6.9)
- 6) 73.15 per cent decisions on the issues of SHGs are taken unanimously. (Table 6.10)
- 7) 64.51 per cent organizers are elected by members and 35.49 per cent are nominated either by NGOs or the government. (Table 6.11)
- 8) Many SHGs are determining and following their own rules and regulations. (Table 6.5)

Several decisions about group are taken democratically and every member of SHG is involved in decision making process, regarding themselves and their SHG. The second statement of hypotheses is partly proved here.

7.2.6 Improvement in Confidence level through SHGs:

- 1) Self responsibility of all SHG members increased through their SHG membership. (Table 5.33)
- 2) 88.4 per cent business holder SHG members are trained. (Table 6.12)
- 3) 98.77 per cent respondents reported positive change in their personality SHGs have played important role in personality development of their members and organisers. Due to improvement in personality, their confidence level has increased. (Table 6.13)

- 4) Members are confident for their selection of business and confidently they are participating in business activities in all manners. (Table 6.2)
- 5) Only 35.49 per cent organizers are attending federation meetings, but out of them 89.57 per cent are taking part in discussion. (Table 5.40 and 6.14)
- 6) SHG movement prefer co-operation than competition. By co-operating to each other they are increasing their all activities and confidence. 79.32 per cent organizers reported full cooperation of the members in running SHG activities. (Table 6.15)

From the above discussion it is observed that, involvement of SHG members in SHGs activities increase their confidence level. The second statement of hypotheses is partly proved here.

7.2.7 Other Factors contributing to Economic Empowerment:

- 1) It is good sign that, near about 90 per cent women members are using banks to keep their savings. (Table 6.16)
- 2) All selected groups are registered in proper way. It means process of Economic Empowerment is started.
- 3) 56.17 per cent groups have passed 1st gradation and 36.42 per cent have passed 2nd gradation. Many SHGs are trying their best for improvement. By passing grade process of economic empowerment of SHGs started. (Table 6.17)
- 4) 95.99 per cent SHGs are writing their minutes of meetings. It is very good sign for the empowerment of women's movement of SHGs. (Table 6.18)
- 5) 85.8 percent organizers are attending Taluka meetings. It shows that women are more conscious for their responsibilities. Awareness about self responsibilities is also one factor of empowerment.
- 6) Even women member having less education but they are keeping their records (100 percent). It shows that women's are more empowered.

- 7) All SHGs have audited their record. It is necessary for proper handling of funds of SHGs. It shows that women are alert for their economic activities should be run properly and legally. It is necessary for SHG development and empowerment of women. (Table 6.19)
- 8) Every SHG is keeping passbook of their members. Keeping SHG economic record shows that members are economically empowered.
- 9) Most of the times, loans are used for personal purpose. But before joining SHG they were dependent on moneylenders and relatives for their personal needs. Now they have their own source for their needs. Women have developed their own independent assets also. (Table 5.11 and 5.13)
- 10) 44.14 per cent SHGs have reported that, banks are supporting SHGs for their economic empowerment. (Table 6.20)
- 11) All SHGs have reported that there are regular meetings of SHGs. It is very good sign for women SHGs, because before joining SHGs they don't have any platform for discussing their problems. Now they have good platform to solve their socio-economic problem and this platform is their own. It is very good sign of empowerment of women.
- 12) All SHGs are distributing their profit among their members. It also shows that all members support to the development of each other. Purpose of Self Help Group is to build up capacity of women by helping each other for their development. (Table 6.21)
- 13) Federation supports the development of SHGs, but many SHG are not yet members of federation. So they are not getting help from federation. (Table 6.22)
- 14) Near about 70 per cent SHGs have got revolving fund by government. By providing Working capital from banks government helps SHGs for empowerment and development their functions and activities. (Table 6.23)

7.3 Statements of the Hypotheses Tested

Researcher through her work has tested following three statements of hypotheses:

- 1) **Active economic participation of women through SHGs upgrades the socio-economic status of women.**

The first statement of hypothesis that Active economic participation of women through SHGs upgrades the socio-economic status of women has been proved through the findings mentioned in sections 7.2.2 and 7.2.3. This proves hypothesis No. 1.

- 2) **SHGs help women members in raising the confidence level and decision making capacity of women.**

Several decisions about group are taken democratically and every member of SHG is involved in decision making process, regarding themselves and their SHG. The second statement that 'SHGs help women members in raising the decision making capacity of Women' is partly proved here. Details of this hypothesis can be seen in Section 7.2.5 above. It is observed in section 7.2.6 above that, involvement of SHG members in SHGs activities increase their confidence level. The second statement of hypotheses is partly proved here.

- 3) **SHGs help economic self-reliance of women.**

From the findings in section 7.2.4, it has been proved that SHGs' and SHG members' economic self reliance is increasing because of their participation in SHG activities. The third statement of hypothesis also proved.

7.4 Limitations of the Study:

- 1) The researcher is an individual and the population of the SHGs is quite significant. In order to have a bias free data, random sample is selected for study.
- 2) Due to illiteracy, respondents were not realize the importance of the study and avoided to supply true and reliable information due to misunderstanding about the intension of the researcher.
- 3) Continuous data series of the secondary data wasn't available from NABARD. Therefore some data series are not included in research work.

- 4) The study is based on SHGs of SGSY in Nashik District. But 10 Talukas are randomly selected out of 15 Talukas.
- 5) This study is limited for the financial years 2004-05 to 2009-10 only. As such, researcher doesn't claim universal applicability of her findings.

7.5 Recommendations:

- 1) More efforts of RBI and NABARD are required for the development of SHGs because this movement is quite contributing in rural women employment and overall development, but growth rates of amount of total savings, loan sanction for SHGs are diminishing since 2009-10 as comparing with previous years.
- 2) Continuous growth of loans for business started by SHGs is required. However, role of Commercial Banks and Regional Rural Banks in loan disbursement to SHGs is less than satisfactory as compared to co-operative banks. Therefore, there is a need to boost the participation of these banks in supply of micro-finance to SHGs.
- 3) Funds for infrastructure, training and capacity building need be increased for DRDA through SGSY.
- 4) This movement is contributing to socio-economic development of rural women is a fact we have experienced from empirical studies. Government can implement and formulate policies for development of education, health and hygiene through SHG members.
- 5) More efforts by the government and NABARD are required for the business activities started by SHGs to increase the income of families of the SHG women.
- 6) Most of the members of SHGs are using loans for consumption purposes. Though it is unavoidable for families below poverty line, It is necessary to motivate them for utilisation of loan amounts for starting economic activities generating income.
- 7) More Government efforts are required marketing services for these SHGs such as quality control and selling their products, because most of the products produced by SHGs are food products.

- 8) More efforts are required from government, NGOs and training agencies for the proper training of business for technical as well as managerial aspects of SHG businesses.
- 9) Economic activity by SHGs is an employment generating scheme, but income generated by most of the SHGs is too small. Attention need be concentrated on development of technical skills in production of more sophisticated fast moving consumers' goods (FMCGs) by the SHG members, so that they can be able to generate more income to cross poverty line.
- 10) Marketing and raising capital are major problems for business holder SHGs. More efforts by the government and NABARD are required to solve these problems.
- 11) Role of federation is very much important in SHG movement, but still, most of the SHGs have not yet joined federations. It is necessary to motivate them for the membership of federation.
- 12) SHG movement is a co-operative movement. However, co-operation between SHGs and government, banks and NGOs is a must for their proper development.

7.6 Scope for further Research:

1. Potential researchers can undertake region-wise separate studies or alternatively, they can undertake macro-study at State or National level choosing the same topic.
2. A comparative study of men and women SHGs choosing any area and further time period is possible. Similarly, a comparative study of tribal and non-tribal women SHGs is also possible to examine the behavioural aspects in the social segments.
3. An investigative study on contribution SHGs in self employment of women is possible, choosing another area and different time period.
4. A Comparative study of BPL and APL group is possible. Such a study will help in understanding the role of subsidy in development of entrepreneurs among BPL families. Separate studies on role of NGOs, role of banks in SHG development are possible.

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