

CHAPTER 8

SUMMARY OF FINDINGS, CONCLUSIONS and RECOMMENDATIONS

Microfinance refers to a movement that envisions a world in which low-income households have permanent access to a range of high quality financial services to finance their income-producing activities, build assets, stabilize consumption, and protect against risks. Over 800 microfinance institutions now operate in India, reaching out to over 7.3 million clients, cumulatively, disbursing over Rs. 8,000 crores in small loans. Microfinance services today are accessed by over 40 million clients, including the SHG- Bank linkage and MFI models. Indian microfinance stands at the forefront of the industry commercialization, with institutions drawing heavily on bank borrowings to finance their rapidly growing portfolios.

The Indian microfinance sector is a museum of several approaches found across the world. Indian microfinance has lapped up the Grameen blueprint; it has replicated some aspects of the Indonesian and the Bolivian model. In addition to the imported artifacts of microfinance, we also have the home-grown model of self-help groups (SHGs). The unique feature of micro finance programmes is that it focuses on women for development. Most of the development programmes started in the past had gender bias. However, the emphasis of the microfinance programme is right because in most of the developing countries, women have a low socio-economic status . As a result the women remained laggard and less participative in the development process of the country. Empowerment is the process of enabling or authorizing an individual to think, behave, and take action and controlling in an autonomous way.

A bewildering range of players have jumped on to the Micro Finance bandwagon for a variety of reasons. There have been NGO

which gradually metamorphosed into lending institutions, developmental professionals who have set up microfinance companies and banks that have experimented with working exclusively with groups and therefore have Micro Finance branches.

Microfinance sector has made significant progress in extending credit to small groups especially the poor people worldwide, and India is no exception in this regard. SHGs, NGOs and MFIs have been mushrooming all over the country, thanks to the leading role played by NABARD. It has emerged as a cost effective mechanism for providing financial services to the “Unbanked Poor”, which has been successful not only in meeting financial needs of the rural women and weaker sections of the society but also strengthen collective self-help capacities of the poor, leading to their empowerment. Rapid progress in SHG formation has now turned into an empowerment movement among women across the country. Economic empowerment results in women’s ability to influence or make decision, increased self-confidence, better status and role in household etc. Micro finance is necessary to overcome exploitation, create confidence for economic self-reliance of the rural poor, particularly among rural women who are mostly invisible in the social structure.

Therefore, keeping in view the importance and role of MFIs, the present study entitled **“Microfinance and Women Empowerment: A Case Study of Punjab”** has been undertaken with the following specific objectives to examine the conceptual framework and the existing models of microfinance; to examine the role of microfinance in employment generation and poverty alleviation; to evaluate the role of microfinance in empowerment of women; to study the various problems and challenges faced by beneficiaries in availing the benefits of microfinance; to examine the perceptions of microfinance supporting institutions about policies, procedures and products offered to women beneficiaries; and to identify the gaps and make recommendations for microfinance development.

Keeping in view all the objectives of the study, both secondary and primary data has been gathered. Primary data were collected from the women respondents on a specially structured pre-tested questionnaire through personal interview method. Another questionnaire was developed to collect the data from MFIs officials. Secondary data were collected related to the number of SHGs and SYSGs working in Punjab.

8.1 FINDINGS OF THE STUDY

8.1.1 Finding regarding Existing models of Microfinance: The study brings out that some of the popular models working for microfinance lending in the world.

- The first one is Associations or Self-Help Groups. A Self-Help Group (SHG) is a registered or unregistered group of micro entrepreneurs having homogenous social and economic background voluntarily, coming together to save small amounts regularly, to mutually agree to contribute to a common fund and to meet their emergency needs on mutual help basis. Economically poor individuals gain strength as part of a group. Besides, financing through SHGs reduces transaction costs for both lenders and borrowers.
- Another type of Micro financing is in the form of Cooperatives. Co-operative Societies work on the principle of mutual help. Cooperative societies are the organizations of financially weaker sections of society. These Societies convert the weakness of members into strength by adopting the principle of self-help through mutual co-operation. It is only by working jointly on the principle of “Each for all and all for each”.
- Microfinance Lending is also being offered through Credit Unions. A credit union is a unique member-driven, self-help financial institution. It is organized by and comprised of members of a particular group or organization, who agree to save their money together and to make loans to each other at reasonable rates of

interest. The members are people of some common bond: working for the same employer; belonging to the same church, labour union, social fraternity, etc. or living/working in the same community. A credit union's membership is open to all who belong to the group, regardless of race, religion, color or creed.

- Another model of extending Micro Finance is through Non-Governmental Organizations (NGOs) and as such it has emerged as a key player in the field of microcredit. They have played the role of intermediary in various dimensions. NGOs have been active in starting and participating in microcredit programmes. This includes creating awareness of the importance of microcredit within the community, as well as various national and international donor agencies.
- Commercial Banks, as well as specialized Microfinance Banks offer various financial services to the poor but the main purpose may be to secure a high return on investment. Unlike other models, the aim is social development as well as financial progress, beyond institutional sustainability. Commercial banks encourage microfinance in many different ways, ranging from direct relations with borrowers to a more indirect participation through the raising of capital.
- Another Microfinance Lending Model is called Rotating Savings and Credit Associations (ROSCAs). ROSCAs are small groups, typically composed of women, where each member makes 'regular cyclical contributions into a common fund', which is given entirely to one member at the start of each cycle (weekly, monthly, quarterly). The benefit of this model is the matching of a client's cash flows with the loan, the ability to structure the deal without interest rates, and the absence of over-head costs.

8.1.2 Finding Regarding Role of Microfinance In Poverty Alleviation and Employment Generation:

- Various aspects of quality of life such as self-education, children education, housing quality, employment and household assets were assessed for extent of improvement after joining SHGs. The results showed that after joining SHG, 25.20 percent of the total members reported that they got education.
- The majority i.e. 66.40 percent of the total members belonged to the medium sized families having 5 to 8 members, followed by 30.80 percent belonging to the small sized families having 4 or less than 4 members. There were only 3.20 percent of them who belonged to the large sized families i.e. more than 8 family members. The average size of family came to be 5.50 members.
- The education of children of 48.80 percent of total members improved after joining SHG. The education of children improved in the many ways like school drop outs again joined school, never to school now to school, poor quality to better quality education, etc. The housing quality of 25.60 percent of total members also improved. Some houses were fully kutchha but converted into partially pucca while some houses already semi-pucca converted into fully pucca houses.
- The household assets like electronics, electrical, utensils, furniture, media devices, beddings, etc. of 32.00 percent of members increased after joining SHG.
- The frequency of buying milk increased significantly in case of all the members. The increase in all the situations was significant as indicated by the calculated t-values.
- The average frequency of buying green vegetables increased after joining the SHG. The increase was statistically significant.
- The average frequency of buying non-vegetarian items increased significantly in case of total members.
- The average score of agreement on the increase in access to safe drinking water after joining SHG came to be 4.38. This showed

that the respondents generally agreed upon that their access to safe drinking water increased after joining SHG.

The analysis revealed that there was lot of improvement in different aspects of quality of life after joining SHGs in the study area. There was significantly positive impact of MFI on the living standard of rural masses, in general and rural poor in particular. The SHGs are the mainstay of the poor and landless families. From this point it can be said that SHGs might be the up lifter for the downtrodden. SHGs emerged as income enhancer for the poor people in rural Punjab and NGOs are doing a good job to inspire the people to join SHGs in order to improve upon their socio-economic conditions. The study highlighted that members' awareness and access to different health care services increased after joining SHG. This reaffirmed that SHG is there for the benefits of the rural poor. These should be encouraged and easily approachable to each and every poor in the rural Punjab.

8.1.3 Findings regarding role of Microfinance in Empowerment of Women:

- The major source of inspiration to join the SHG was NGOs workers as reported by 76.00 percent of the total members. This source was followed by friends/relatives (44.00%). The least common source of inspiration came to be self member which became a source only for 7.20 percent of total members, followed by family members, a source of inspiration for 8.00 percent of them.
- The average score of access to maternity services came to be 4.72 on the overall. This showed that the respondents strongly agree that their access to maternity services has increased after joining SHG. When asked whether their awareness about health services increased after joining SHG, the average score came to be 4.77 on the overall. This indicated that the respondents strongly agree that their awareness about health services increased after joining

SHG. Similarly, the respondents were found to be strongly agreed on the increase in facility for immunization of children after joining SHG as its score was near to 5 which stands for strong agreement.

- The average score of agreement on the increase in the facility for immunization of mother worked at 4.13 on the overall. The average score indicated that the respondents agree upon the increase in facility for immunization of mother after joining SHG. The analysis further revealed that the respondents strongly agree on the increase in access to sanitation facility after joining SHG as the weighted average score of agreement came to be 4.51.
- The weighted average score of knowledge about group activities came to be 3.62 which showed that the respondents were equipped with the knowledge about group activities to a large extent.
- The weighted average score of knowledge about meeting calendar of the group came to be 3.91 which showed that the respondents were equipped with the knowledge about group activities to a large extent. The weighted average score of knowledge about rules and regulations of the group came to be 3.59 which showed that the respondents were equipped with the knowledge about meeting calendar of the group to a large extent.
- The weighted average score of knowledge about the group record came to be 3.68 which showed that the respondents were equipped with the knowledge about group record to a large extent.
- The weighted average score of knowledge about the cash in hand of the group came to be 3.52 which showed that the respondents were equipped with the knowledge about cash in hand of the group to a large extent.
- The weighted average score of knowledge about balance in the bank account of the group came to be 3.61 which showed that the respondents were equipped with the knowledge about group

activities to a large extent. The weighted average score of knowledge about the total loaning of the group came to be 3.58 which showed that the respondents were equipped with the knowledge about total loaning of the group to a large extent.

- The weighted average score of knowledge about the number of group members who took loan came to be 3.58 which showed that the respondents were equipped with the knowledge about number of members who took loan to a large extent.
- The weighted average score of knowledge about the members repaying debt regularly came to be 3.67 which showed that the respondents were equipped with the knowledge about members repaying debt regularly to a large extent.
- The weighted average score of knowledge the dealing bank of the group came to be 4.21 which showed that the respondents were equipped with the knowledge about the dealing bank with the group to a large extent. The weighted average score of knowledge about the income of the group through interest/fine came to be 3.62 which showed that the respondents were equipped with the knowledge about the income of the group through interest/fine to a large extent.
- The weighted average score of knowledge about the objective of the group came to be 3.66 which showed that the respondents were equipped with the knowledge about the objectives of the group to a large extent.
- The weighted average score of knowledge the bank transactions of the group came to be 3.80 which showed that the respondents were equipped with the knowledge about the bank transactions with the group to a large extent. The weighted average score of knowledge about the constraints of the group came to be 3.56 which showed that the respondents were equipped with the knowledge about the constraints of the group to a large extent.
- The weighted average score of knowledge the achievements of the group came to be 3.67 which showed that the respondents were

equipped with the knowledge about the achievements of the group to a large extent.

- In Zone-I, the highest rating score came to be 2.54 in case of workshops conducted by MFIs were knowledgeable. This indicated that the statement is true to a small extent. This statement was followed by 'The training has covered all the technical aspects' (2.52) and 'Training given by MFIs off site' (2.51). The score of these statements showed that the content of these statements was true to a small extent. The least score was 1.44 in case of 'Training given by MFIs on site', which showed that this aspect of the training is not true at all.
- In Zone-II rating pattern was similar to that in Zone-I. In Zone-II, the rating score ranged from 2.48 in case of 'Workshops conducted by MFIs were knowledgeable' to 1.60 in case of 'Training given by MFIs on site'. However, in Zone-III, the highest rating score came to be 2.18 in case of workshops conducted by MFIs off site' and lowest to the tune of 1.33 in case of 'Training given by MFIs on site'.
- The rating score of 'Industrial visits conducted by MFIs' was significantly higher in Zone-II as compared to that in Zone-I and Zone-III. The rating score of 'Training covered all the technical aspects required' was found to be significantly lower in Zone-III as compared to that in Zone-I and Zone-II. All other rating scores were statistically at par in all the zones.
- The weighted average score of 'knowledge of the rights' came to be 1.86 which showed that the respondents improved their knowledge of rights to a very small extent after joining SHGs.
- The weighted average score of 'awareness of entitlement as group member' came to be 1.90 which showed that the respondents' awareness about their entitlement as a group member increased to a very small extent after joining SHG.

- The weighted average score of ‘increase in confidence towards work’ came to be 2.08 which showed that the increase in respondents’ confidence towards work was to a very small extent.
- The weighted average score of ‘attaining skills of work’ came to be 2.26 which showed that the respondents attained skills of work to a very small extent. The weighted average score of ‘better linkages with banks’ came to be 1.85 which showed that the linkages with banks improved to a very small extent after joining SHGs.
- The weighted average score of ‘knowledge of schemes/govt. benefits available’ came to be 1.64 which showed that the knowledge of respondents about schemes/ govt. benefits available increased to a very small extent after joining SHGs.
- The weighted average score of ‘better linkages with market’ came to be 1.76 which showed that the linkages with market improved to a very small extent. The weighted average score of ‘enhancement in income’ came to be 1.94 which showed that the income of the respondents enhanced to a very small extent after joining SHGs.
- The weighted average score of ‘active participation in family decision making’ came to be 2.02 which showed that the respondents active participation in family decision making improved to a very small extent after joining SHG.
- The weighted average score of ‘group members help/motivate to work’ was 4.59 indicating that the group members help/motivate each other to work to a very large extent. The weighted average score of ‘group members are of great support for smooth working’ came to be 4.58. This showed that the support of group members for smooth work was to a very large extent.
- The weighted average score of ‘group members help each other to handle personal problems’ was 4.58, which showed that the help of group members to handle personal problems was to a very large extent.

- The weighted average score of ‘use of loan amount’ came to be 3.97, indicating that the decision making of respondents was to a large extent.
- The decision making score of ‘the use of income generated by the business’ was on the overall 3.76 indicating again a large extent involvement in decision making. The weighted average score of ‘decision making regarding household infrastructure/ smokeless chulla/ household repairs’ came to be 3.41. This indicated that the decision making in this regard was to some extent.
- The average score of ‘decision making regarding purchases like farm equipments/ livestock’ worked at 3.39, which indicated that the decision making in this regard was to some extent.
- The overall average extent of agreement on ‘the increase in literacy level’ was 4.25, indicating that the respondents agreed on the increase in their literacy level after joining SHG.
- The overall average extent of agreement on ‘the increase in education level’ was 1.76, indicating that the respondents disagreed on the increase in their education level after joining SHG. The overall average extent of agreement on ‘the increase in knowledge of work’ was 4.04, indicating that the respondents agreed on the increase in their knowledge level for work after joining SHG.
- The overall average extent of agreement on the ‘ability to manage the work independently’ was 3.93, indicating that the respondents agreed on the increase in their ability to manage the work independently after joining SHG.
- The overall average extent of agreement on ‘the expression of views independently’ was 3.84, indicating that the respondents agreed on the increase in the expression of views independently after joining SHG.
- The overall average extent of agreement on ‘family/people respect the respondents and their decisions’ was 3.79, indicating that the

respondents agreed on the increase in the respect by the family/people after joining SHG.

- The weighted average score of 'Decision taking for career of children' came to be 3.76, which revealed that the respondents took decision for career of children to a large extent. The weighted average score of 'freedom for willful dresses' came to be 3.79, which revealed that the respondents have freedom for willful dresses to a large extent.
- The weighted average score of 'freedom to choose life partner' came to be 1.27, which revealed that the respondents have no freedom to choose life partner. The weighted average score of 'freedom to use family planning methods' came to be 3.18, which revealed that the respondents have freedom to use family planning methods to a small extent.
- The weighted average score of 'having better check on domestic violence/alcoholism' came to be 342, which revealed that the respondents are having better check on domestic violence/alcoholism to a small extent. The weighted average score of 'taking action against dowry system' came to be 3.52, which revealed that the respondents can take action against dowry system to a small extent.
- The weighted average score of 'interaction within the community has increased' was 4.33. This showed that the respondents agreed that there interaction within the community has increased after joining the SHGs.
- The weighted average score of 'interaction outside the community has increased' was 4.41. This showed that the respondents agreed that there interaction outside the community has increased after joining the SHGs. The weighted average score of 'having freedom to visit outside the area of work' was 4.33. This showed that the respondents agreed that they have the freedom to visit outside the area of their work after joining the SHGs.

- The overall mean score of frequency of ‘participation in the meetings of village panchayat’ worked at 1.56, which indicated that the participation in meetings of village panchayat was rare.
- The overall mean score of frequency of ‘participation in the meetings of village gram sabha’ worked at 1.55, which indicated that the participation in meetings of village gram sabha was rare. The overall mean score of frequency of ‘participation in the election as a voter’ worked at 4.88, which indicated that the participation in elections as a voter was very often.
- The overall mean score of frequency of ‘participation as a candidate in the local body elections’ worked at 1.08, which indicated that the respondents never participated in elections as a candidate.
- The analysis further revealed that the overall mean score of frequency of ‘selection as a member’ worked at 1.06, which indicated that the respondents were never selected a member.
- The weighted average score of ‘people think the women a part of well-organized family’ was 4.35. This showed that the respondents agreed that the women working in MFIs are a part of well-organized family.
- The weighted average score of ‘having good relations with husband’ was 4.39. This showed that the respondents agreed that the women working in MFIs have good relations with their husband after joining MFIs.
- The weighted average score of ‘having control on savings and expenditure’ was 4.39. This showed that the respondents agreed that the women working in MFIs have control on savings and expenditure.
- The weighted average score of ‘women working in MFIs are considered as more aware and respected women’ was 4.11. This showed that the respondents agreed that the women working in MFIs are considered as more aware and respected women in the society.

- The weighted average score of ‘having fear of failure’ came to be 1.56 which indicated that the members has fear of failure at sometimes. The weighted average score of ‘solving the problems independently’ came to be 2.19 which indicated that the members are of the opinion that they sometimes can solve the problems independently. But they are able to solve the problems independently always.
- The regression coefficient of ‘onsite training’ and ‘workshop conducted by MFIs knowledgeable’ were found by significantly positive. This indicated that the training provided on site of work exerted positive effect on the awareness and knowledge of the members about group activities and functions. Similarly, if the trainings provided by the MFIs are knowledgeable it causes to enhance the awareness and knowledge of the members about group activities and functions.
- The regression coefficient of ‘attainment of skills to work’, ‘better linkages with banks’ and better linkages with market’ came to be significantly positive. This indicated that there would be an increase in the awareness and knowledge of members with the increase attainment of skills of work, better linkages with banks and market.

It may also be concluded that the group members were having knowledge about different group activities and functions to a large extent. However, in many cases, the level of knowledge of respondents was up to some extent in Zone-III. Therefore, the involvement of members in Zone-III needs to be increased so that the members may be equipped well with the knowledge of different group activities and functions. The analysis also revealed that trainings provided by MFIs are not adequate. The SHGs helped the members to a very small extent in improving upon skills, confidence, bank linkages, market linkages, etc. The reasons behind this should be explored and set right to the maximum benefit of the members. There was significant

cooperation and peer to peer help in work and in personal problems among members of SHGs under study. The study indicated that the decision making regarding use of loan amount, business/work to be started with the loan money and use of income generated through business was to large extent while the decision making regarding household infrastructure and purchases of households was to some extent in all the zones as well as the state.

8.1.4 Findings regarding various Problems and Challenges faced by Women beneficiaries for availing benefits of Microfinance:

- The weighted average score of ‘adverse effect on routine work’ was 1.70 showing that the respondents disagreed on this problem. The weighted average score of ‘neglecting children’ was 1.76 showing that the respondents disagreed on this problem.
- The weighted average score of ‘increase in the non-cooperation from family/husband’ was 1.78 showing that the respondents disagreed on this problem. The weighted average score of ‘facing problems while facing the customer’ was 1.74 showing that the respondents disagreed on this problem.
- The overall average extent of agreement on ‘don’t have confidence to work’ was 1.34, which indicated that the respondents strongly disagreed with this. They were of the view that they have confidence to work after joining MFIs.
- The overall average extent of agreement on ‘the presence of male at work place affects the confidence’ was 1.31, which indicated that the respondents strongly disagreed with this. They were of the view that the presence of male at the work place does not affect their confidence.
- The overall average extent of agreement on ‘the fear of failure that the borrowed money with which work started will not be recovered’ was 1.37, which indicated that the respondents strongly disagreed with this. They were of the view that the money will be recovered.

- The weighted average score of ‘able to manage the time within the time available’ came to be 2.53 which indicated that the members are of the opinion that they often can manage the time within the time available. But they are able to always manage the time within the time available.
- It has been observed that all the information is not given to the female respondent , as they are not considered as responsible as men for returning the loan amount and some of the financial institute shrinks their hands.
- The overall average extent of agreement on ‘the fear of being physically weak’ was 1.39, which indicated that the respondents strongly disagreed with this. They were of the view that they will become physically weak after joining MFIs.
- The overall average extent of agreement on ‘the fear of character assassination/sexual harassment when working’ was 1.40, which indicated that the respondents strongly disagreed with this. They were of the view that there is no fear of character assassination/sexual harassment at the place of working.
- The overall average extent of agreement on ‘lack of cooperation from the family’ came to be 1.21, thereby indicating that the respondents strongly disagreed that there was any lack of cooperation from the family after joining MFIs.
- The overall average extent of agreement on ‘opposition from husband’ came to be 1.29, indicating that the respondents strongly disagreed that there was any opposition from husband against working in MFIs. The overall average extent of agreement on ‘increase in family dispute/tension since working in MFIs’ came to be 1.25, indicating that the respondents strongly disagreed that there was any family dispute/tension due to work in MFIs.
- The overall average extent of agreement on ‘husband’s alcoholism problem’ came to be 1.21, indicating that the respondents

strongly disagreed that there was no problem of alcoholism from husband side after joining MFIs.

The study concluded that development and growth of members has significantly increased after joining the SHGs, except the increase in the educational level. However, their literacy level has improved a lot and there was no psychological problem to the members after joining MFIs. Rather their confidence has increased to fare better at work places. There was no problem of husband's alcoholism after joining MFIs. This showed that there was none of the family problems faced by the respondents after joining MFIs. This reaffirmed that MFIs helped significantly the women to get rid of the attitude related, psychological and family problems. This in turn helped them to develop and grow, to enhance voicing concerns and revolutionizing attitude of the society towards working women. It could not improve its voice concern regarding freedom to choose life partner. This is not the fault of the SHGs but its roots are there in the conservative nature of the society. Therefore, it will take time to enjoy freedom of choosing life partner till the society changes from conservative to progress values.

8.1.5 Findings on perceptions of Microfinance supporting Institutions:

- The highest proportion i.e. 48.00 percent of the organizations held fortnightly meetings, followed by 32.00 percent holding weekly meetings while the lowest proportion i.e. 28.00 percent of them held monthly meetings of the organization members. This showed that fairly large number of organizations used to hold fortnightly meetings.
- Majority i.e. 60.00 percent of the organization reported that all the members of the organization were present in the last 5 meetings while 20 percent each reported that some members and office bearers only attended the last 5 meetings. Though the incidence of attending the meetings by all the members was quite

high yet there is a broad scope of active participation of members in the meetings.

- The agenda of meetings of all the 50 i.e. 100.00 percent of the organizations was decided by the members and link workers. No other person(s) or group of persons was there to decide the agenda of the meetings.
- The method adopted for taking decisions in the meetings by all the 50 organisations was found to be the consensus.
- There were two methods of collection of saving made by the members, which included deposited by members in group meeting on fixed date and collected by representative from members individually outside meeting. Both the methods were by the organization.
- The methods of keeping group money were identified as deposited in the bank account, distribution as loan among members, remains with group representatives and keeping in cash box of the group.
- All the 50 organisations utilized the money earned through interest, fine and other sources by adding up to the group capital. There were only 2 percent of them where money earned was utilized for group activities also. None of organizations reported that the earned money was shared as dividend among members.
- The highest average score of awareness came to be 1.82 in case of number of members who have taken loan, followed by 1.64 in case of achievements of the groups and 1.62 in case of cumulative individuals saving amount. This indicated that majority of the members were aware about the number of members who have taken loan, achievements of the group and cumulative individuals saving amount.
- The average score on all others process and activities was found to be nearer to one, except rules and regulations. This revealed that some of the members were aware about meeting calendar,

cash in hand, outstanding loan, total capital of the group, total loaning of the group, name of the bank, income of the group through interest & fine, objectives of the group, bank transactions and constraints of the group. The average score of awareness about rules and regulations came to be 0.18 which was nearer to zero, indicating that none of the members was aware about the rules and regulations of the group.

- The highest average score of awareness came to be 1.92 in case of immunization of child, followed by 1.84 in case of family planning and 1.68 in case of children going to school. This indicated that majority of the members were availing the basic facility of immunization of child, family planning methods and child school education.
- The average score on all others process and activities was found to be nearer to one. This revealed that some of the members were availing the facility maternity services, immunization of mothers, access to PAD, sanitation facility, safe drinking water, pension scheme and AIDS awareness.
- The highest average score came to be 1.84 in case of agriculture as a purpose of saving, followed by 1.82 in case of food security. This indicated that majority of the members were of the opinion that savings were made for agricultural activities and food security.
- The average score on two purposes was found to be nearer to one. This revealed that some of the members were of the opinion that savings were made for social security and self-respect. The average score of all other purposes of saving was nearer to zero. This showed that none of the members was of the view that savings were made for education, medical aid, marriage/festivals, emergencies, assets building and IGA.
- In case of marriage of girls, there were 76.00 percent males who dominated in the decision making before the formation of the SHG but after formation of the group it reduced to 54.00 percent.

On the other hand, the proportion of females increased from 16.00 percent before formation of the group to 34.00 percent after the formation of the group. The shifts from males to females were found to be significant.

- As much as in 78.00 percent of families, males dominated the decision making regarding marriage of boys before the formation of the group which declined to 58.00 percent after the formation of the group. The decline was significant.
- In case of education of children, there were 82.000 percent males who dominated in the decision making before the formation of the SHG but after formation of the group it reduced to 62.00 percent. The shifts from males to females were found to be significant.
- In all the 100 percent families, males dominated the decision making regarding arrangement of loan before the formation of the group which declined to 80.00 percent after the formation of the group. The decline was significant.
- In case of making different purchases, there were 64.00 percent males who dominated in the decision making before the formation of the SHG but after formation of the group it reduced to 42.00 percent. The decline was significant.
- As much as in 66.00 percent of the families, males dominated the decision making regarding making saving before the formation of the group which declined to 46.00 percent after the formation of the group. The decline was significant.
- In case of making expenditure on festivals, there were 94.00 percent males who dominated in the decision making before the formation of the SHG but after formation of the group it reduced to 64.00 percent. The decline was highly significant.
- As much as in 78.00 percent of the families, males dominated the decision making regarding participation in meeting before the formation of the group which declined to 56.00 percent after the formation of the group. The decline was significant.

- In case of interaction with outsiders, there were 84.00 percent males who dominated in the decision making before the formation of the SHG but after formation of the group it reduced to 66.00 percent. The decline was significant.
- As much as in 80.00 percent of the families, males dominated the decision making regarding assets building before the formation of the group which declined to 60.00 percent after the formation of the group. The decline was significant.
- In case of IGAs, there were 100.00 percent males who dominated in the decision making before the formation of the SHG but after formation of the group it reduced to 84.00 percent. The decline was significant.
- As much as in 68.00 percent of the families, males dominated the decision making regarding income from SHG initiated IGAs before the formation of the group which declined to 44.00 percent after the formation of the group. The decline was significant.

The study concluded that awareness of the members about different processes and activities was considerably to a satisfactory extent, but there is still a broad scope of further increasing the awareness of members. The availability of basic services to the members was considerably to a satisfactory extent, but there is still a broad scope of further increasing the availability and access to the basic services. There was the strong opinion of members that savings were made for agriculture and food security. There was a very weak opinion in favour of that savings were made for social security, education, medical, social ceremonies, emergencies assets building and IGA. This revealed that the SHGs have yet fulfilled the basic need of food through farming. The SHGs have to go a long way to fulfill the social needs also.

8.2 RECOMMENDATIONS

- Voicing concern of women has improved significantly after joining SHGs. It could not improve its voice concern regarding freedom to choose life partner. This is not the fault of the SHGs but its roots are there in the conservative nature of the society. Therefore, it will take time to enjoy freedom of choosing life partner till the society changes from conservative to progress values. The MFIs should play a vital role in this regard.
- Mobility, freedom, community network of women also improved significantly after joining SHGs. The main concern of backwardness of the rural society in Punjab remained always the social hurdles in the mobility, freedom and community network of rural women, the half of the rural society. The MFIs have unleashed the empowerment of rural women by mitigating the chains of conservative social values through micro-finance schemes. Therefore, the MFIs should lay more emphasis on strengthening the women SHGs in rural Punjab.
- The study indicated that political empowerment of women could not improve after joining SHGs. However, their awareness to perform the role of a voter has increased significantly. The political involvement of women leads the society to the revolutionary changes in terms of social advancement and economic planning. Therefore, appropriate measures should be taken in this direction.
- The study highlighted that the people's perception towards women working in MFIs have improved significantly. This is a progressive effort of MFIs to eradicate conservative value in the society according to which women were considered a commodity within the four walls of home. This showed that the government should recognize the role of MFIs and hence need to further strengthen such institutions.

- The study revealed that there was none of the family problems faced by the respondents after joining MFIs. This reaffirmed that MFIs helped significantly the women to get rid of the attitude related, psychological and family problems. This in turn helped them to develop and grow, to enhance voicing concerns and revolutionizing attitude of the society towards working women. Therefore, there is a need to launch people's awareness campaign to let them know the importance of SHGs as well as MFIs.
- The training, provided by the MFIs, on site of work exerted positive effect on the awareness and knowledge of the members about group activities and functions. Similarly, if the trainings provided by the MFIs are knowledgeable it causes to enhance the awareness and knowledge of the members about group activities and functions. Therefore, the MFIs should focus to provide training on the site of work and impart thorough knowledge through trainings. It would help the members to get higher level of awareness and knowledge about group activities and functions.
- The study indicated that there would be an increase in the awareness and knowledge of members with the increase attainment of skills of work, better linkages with banks and market. Hence work skills, bank and market linkages emerged as the significant contributors of awareness and knowledge of members about SHG activities and functions.
- The study further highlighted that there would be an increase in the empowerment of members with the increase in awareness of entitlement as a member of the group, increased confidence towards work, attainment of skills of work, better bank linkages enhancement in self income and active participation in the decision making in the family. This showed that the members with the higher level of above mentioned variables would more actively participate in

different political activities at different levels. This revealed that these aspects of orientation and exposure should be kept in mind when action plans of MFIs and SHGs are formulated. This will go a long way to enhance the awareness, knowledge and empowerment of group members.

- Employment is considered to be one of the most important determinants of generating income, mitigating poverty and use of labour force both as wage labour and self-employment. The era of globalization has increased unemployment among the poor people of the society. Therefore, it becomes imperative to introduce such programmes with which employment can be enhanced. The labour force in India is growing at a rate of 2.5 per cent annually, but employment is growing at only 2.3 per cent. Thus, the country is facing the challenge of not only absorbing new entrants to the job market (approximately seven million people every year), but also clearing the backlog. Most of the labour force in India is working in the informal sector and they are not earning sufficient income to bring their families above the poverty line. India's total labour force consists of 45.9 crore workers, out of these, 43.3 crore (94 per cent) are in the unorganised sector and the remaining 2.6 crore (6 per cent) are in the organised sector. In unorganised sector, the Minimum Wages Act is either not followed or only marginally implemented with very poor quality of employment. This sector does not provide the social security and other benefits of employment.
- Microfinance programme generates self-employment opportunities in rural areas. In this programme, credit support should make available to rural entrepreneurs through the SHGs in the form of micro-loans, who otherwise are often considered non-bankable by the financial sector. The programmes which generate wage employment should be encouraged by the MFIs. The MFIs should focus to provide

training on the site of work and impart thorough knowledge through trainings. It would help the members to get higher level of awareness and knowledge about group activities and functions. Maximum number of rural poor women should be encouraged to become a member of SHGs in order to get empowered at political, social and family level.

- Keeping in view the contribution of MFIs in changing the social, political and economic status of rural women, it can be highly recommended that MFIs should be extended whole hearted support by the governments so that they may extend the support further to the rural women through SHGs.
- It is suggested that the training about self-employment related occupations should be given by the MFIs at the time of disbursement of loan to them. Further loan amount should be sufficient to meet the capital and cash requirements of the project. In case of lack of loan amount, they have to borrow the same from private lenders at exorbitant rates of interest. It affects the margins adversely.
- As all the members are entitled to get an equal amount of loan irrespective of their needs. In this way, needy persons are deprived of the required amount while some un-needy persons get the extra amount over their requirements. Therefore, the loan amount should be disbursed as per requirement.
- NABARD gives training but only for the pre-decided activities like bee farming, candle making dairy farming, pickles', papads and soap making and for all theses we cannot compete with the brands available. There is no training for vocational courses like beauty parlor, health care products, beauty products, herbal products (tea/ayurvedic work), opening of cyber café, gym, etc. Therefore, there is a need to explore new areas of training for which the competition is at very low level.
- There are no association/linkages with other SHGs working in other areas and other fields. Therefore a coordination

committee should be formed for the mutual exchange of knowledge and experiences by each other.

- There is no marketing support to their products. Most of the times cost of production is high and the better product is available in the market because of international brands available for candles, fans, *dariz* and soaps. The products produced by them are not at the standard and the cost is very high as they produce in a small quantity. There is only self-marketing. lack of coordination with the outer market. Assured market of these products should be there or their products should be given subsidies to curtail the cost of production.
- Insurance of animals or the instruments they have bought with the loan for generating income as some times the loss has happened to them because of theft and loan amount becomes additional pressure. Insurance can be taken if that policy is formed by the linked bank and the price of insurance should be paid by them, to be competitive in the market they must do whole sale of Home made products in which no competition exists.
- Some appropriate solutions to overcome constraints and difficulties faced by members of SHGs. These include mutual selling and working with mutual cooperation, Inter selling between the group members, they should choose the product collectively like pickles, papads and home-made products in which they can fight with the competition. One common platform is required to showcase their products which are non-adulterated and of good quality.

8.3 Directions for Future Research

The research has addressed many issues related to microfinance and its contribution towards women empowerment. The main questions that have been addressed in the study include how microfinance has helped alleviating poverty, generated self employment opportunities and empowered women. However, the study focuses contribution of microfinance for women empowerment; it may limit the extent to which the findings can be generalized.

- The present study has assessed women empowerment through microfinance. Research can be done in future to analyse the impact of microfinance on a society at large by taking male and female respondents together.
- The present study analysed working of microfinance supporting institutes in the area of Punjab. Feature research can be done for comparing inter-state service quality of microfinance supporting institutions.
- One very important area for future research may be to improve the working of microfinance supporting institutes in India, if online groups can be created to exploit marketing opportunities in different areas for the products produced by SHG members. This will give birth to a new microfinance model without boundaries.