

**CHAPTER VII**

**SUMMARY OF FINDINGS, SUGGESTIONS AND**

**CONCLUSION**

## **CHAPTER VII**

### **SUMMARY OF FINDINGS, SUGGESTIONS AND CONCLUSION**

The SHG movement has been gaining great momentum in Tirunelveli District for its unprecedented success with NGO-Government partnership. Hence, the present study has made an attempt to analyse and evaluate the role of NGOs and banks in women's empowerment. The major findings along with suggestions are presented in this chapter.

#### **7.1. SOCIO-ECONOMIC AND DEMOGRAPHIC PROFILE OF THE MEMBERS**

- The age wise classification of the members depicts that around 40 per cent of the members, including the three areas of Rural, Semi-urban and Urban are in between the age group of 31 and 40 years. Within the same age group as high as 39.6 per cent of the members are from Urban area.
- Overall, among the three areas, 84.5 per cent of the members are married. It constitutes 90.6 per cent, 88.9 per cent and 80.2 per cent of the members from Rural, Semi-urban and Urban areas respectively. Meanwhile the proportion of widows is 17.1 per cent in Urban, 13.3 per cent in Semi-urban and 8.3 per cent in Rural areas respectively.
- The literacy status shows that about 28 per cent of the members across the three areas including Rural, Semi-urban and Urban are confined within the primary level of literacy. Followed by around 26 per cent of the members among the three areas including Rural, Semi-urban and Urban are illiterates.

- From the analysis, it is concluded that most of the members among the three areas including Rural, Semi-urban and Urban are Hindus (80.2 per cent), followed by Christians (13.1 per cent) and Muslims (6.7 per cent).
- Overall, 40.1 per cent of the members among the three areas are belonging to Scheduled Castes/Tribes. It is observed that 38.5 per cent of the members among the areas are belonging to Backward Castes. While only 21.4 per cent of them are belonging to Most Backward Castes.
- Around 82 per cent of the members across the three areas including Rural, Semi-urban and Urban are living in their own houses. In which 90.6 per cent of them are from Rural area. It is further observed that around 44 per cent of the members, including Rural, Semi-urban and Urban areas are living in thatched houses or hut houses.
- The study found that 91.1 per cent of the members from Semi-urban area are living with nuclear type of family. In this regard, it is around 89 per cent, including the three areas of Rural, Semi-urban and Urban. It also found the majority of the members (36.1 per cent) across the three areas including Rural, Semi-urban and Urban have family size of up to four members.
- It is observed that most of the households, i.e., overall 80.3 per cent among the three areas have up to two earning members; it includes 86.5 per cent, 76.6 per cent and 73.3 per cent of Urban, Rural and Semi-urban areas respectively.
- The occupational status of the members of SHGs reveals that overall 48.8 per cent of the members across the three areas are agricultural labourers, In this regard, it

could be seen that 59.4 per cent and 55.6 per cent of the members are belong to Rural and Semi-urban areas, while among members belonged to Urban area in this regard are only 36.9 per cent.

- The occupational status of the members' spouses across of the three areas depicted that the majority (33.1 per cent) of the spouses are agricultural labourers across the three areas. It includes 47.9 per cent and 42.2 per cent of the spouses from Rural and Semi-urban areas respectively; whereas the in the case of Urban area it is just 16.7 per cent.
- The majority (74.2 per cent) of the members, including the three areas comes under the category of income below ₹ 1500 per month. Overall, among the three areas the average monthly income of the members is ₹ 1520.5
- Overall, 86.8 percent of the households of among the areas belong to a monthly income group of up to ₹ 5000. In this regard 93.6 per cent, 82.1 per cent and 80 per cent of the households belong to Urban, Rural and Semi-urban areas respectively.
- The monthly expenses of the household, it reveals that, overall 61.6 per cent of the households spending up to ₹ 3000 per month to run the family among the three areas. In this regard, it is found to be 74.8 per cent, 71.1 per cent and 46.3 per cent in Rural, Semi-urban and Urban areas respectively. It also further infers that as high as 30.8 per cent of the members spend on food items across the three areas including Rural, Semi-urban and Urban. It includes 32.7 per cent, 31.9 per cent and 30.3 per cent of the members from Rural, Urban and Semi-urban areas respectively.

- The overall average monthly savings of the members among the three areas is ₹ 146.2. In the case of members of Rural area, it is ₹ 159.8, from Urban it is ₹ 143.6 and it is ₹ 123.3 in Semi-urban area. It indicates that the savings is higher in the case of members in Rural area than Urban and Semi-urban areas.
- It is observed that, 67.8 per cent of the members from Semi-urban, 66.7 per cent of Urban and 52.9 per cent of Rural areas have been covered under insurance schemes. It is further observed that about 59 per cent of the members from Urban area are having individual savings in banks. It is 51.1 per cent in Semi-urban area and it is only 15.6 per cent in Rural area.
- The average amount of debt is found high in the case of members from Urban area (₹ 6510.3) than Semi-urban (₹ 6457.6) and Rural (₹ 6343.4) areas. The overall average debt per annum, including the three areas is ₹ 6437.3 Majority (64.5 per cent) of the members in the case of Rural area have debt in between ₹ 1501 and ₹ 10000. It is 48.8 per cent and 41.8 per cent of the cases of Semi-urban and Urban areas respectively.
- The borrowing pattern of the members among the three areas depicts that a high per cent (61.1) of the members borrowed from moneylenders among the areas. In this regard, it constitutes a higher percentage (68.8) of members from Rural areas compare with Urban (56.8 per cent) and Semi-urban (55.6 per cent) areas. It is also depicted that the purposes for which the members borrowed among the three areas found that overall 15.5 per cent of the members across the three areas borrowed loan from different sources to purchase land/jewel, followed by 13.3

per cent of them have borrowed loans for educational purpose and around 12 per cent of them have borrowed for cultivation needs.

- The majority (60 per cent) of the households from Rural area holds less than an acre of agricultural land. On the other side, 76.4 per cent of the households from Urban area have no agricultural land, in this regard it is 51.1 per cent in Semi-urban area, overall across the area it is 49.6 per cent whereas in Rural area it is only 17.9 per cent.
- The possession different household items of the households among the three areas found that 96.7 per cent of the households of Rural, 93.3 per cent of Semi-urban and 94.5 per cent of Urban areas possess a television. 83.6 per cent of the households of Rural, 86.6 per cent of Semi-urban and 82.7 per cent of Urban areas possess electric fan.

## **7.2. ROLE OF NGOs ON WOMEN EMPOWERMENT**

### **7.2.1. Leadership Empowerment**

- Regarding the leadership qualities, the significant changes during the pre and the post SHG periods have been identified in the case of ability to listen to others, objective orientation, self-motivation, sharing of knowledge with others, networks, accepting changes, optimism, understanding politics, balanced life, thirst for knowledge, adaptability, courage, vision, effective communication and generosity. The analysis reveals that there is a significant improvement in the leadership among the members of the post SHG period, compared to that of the pre SHG period.

- It is found that the important Leadership Empowerment Score (LES) among the members of the three areas is at high level in the pre SHG period since it constitutes 34.9 per cent of the total. Whereas, it reveals that the important LES among the members of the three areas in the post SHG period is very high level, which constitute 45.5 per cent of the total. The analysis reveals that the leadership empowerment is increasing to a considerable extent among the members of Urban area compare with Rural and Semi-urban areas.

#### **7.2.2. Decision Making Empowerment**

- It is observed that the level of decision making empowerment is identified as higher as daily purchasing of commodities, specific purchase and personal matters. At the post SHG period, it is identified as higher in the case of the education of children, personal matters and business decisions. Regarding the involvement in decision making among the members, the significant differences among the pre and the post SHG periods have been noticed in the case of decision making on education of children, health of children, marriage matters, own consumption, clothing for family members, clothing for personal purpose, business decisions, borrowing decisions, repayment decisions and personal matters since their respective ‘t’ statistics are significant at the five per cent level.
- It reveals that the important Decision Making Empowerment Score (DMES) among the members at the pre SHG period is medium level which constitute 33.9 per cent to the total respectively. Whereas, it is found that the important DMES among the members at the post SHG period is very high level, which constitute 40.0 per cent to the total respectively. The analysis reveals that the DMES has

increased considerably among the members of all the three areas in the post SHG period because of their higher experience in the SHGs.

- The study reveals that, there has been an increase in the DMES in the post SHG period among all the members from across the three areas. But the statistical significant increase of the DMES is identified among the members of the Semi-urban and Urban areas since their respective ‘t’ statistics are significant at the five per cent level. The analysis infers that there is a significant increase in the DMES among the members of the Semi-urban and Urban areas compared to that of the members of Rural area.

### **7.2.3. Personality Empowerment**

- The study reveals that the highly viewed personality variables among the members at the pre SHG period is listening to media, information owned and participation in the social programmes. At the post SHG period, there is an increase in the personality variables among the members. The highly viewed personality variables among the members are time for entertainment programmes and participation in social programmes. Regarding the personality empowerment of the members, the significant differences among the pre and the post SHG periods have been identified especially in the case of free to make expenditure, analyzing the problem, role in decision making, no gender discrimination, time for entertainment programmes, consideration of suggestions, participation in social programmes, membership in social organizations, taking food with all the family members, confidence while decision making, interaction with the society,

risk taking ability, acceptance of new things, optimism and adoption since their respective ‘t’ statistics are significant at five per cent level

- The important Personality Empowerment Score (PES) among the members at pre SHG period is medium level, which constitutes 34.1 per cent of the total. Whereas, it reveals that the important PES among the members of the post SHG period is very high level, which constitute 53.4 per cent to the total respectively.
- It is also found that in the pre SHG period, the mean of the PES is identified as high among the members of Rural area. At the post SHG period, the higher mean of PES is noticed among the members of Urban. There is an increase in the PES among the members of the post SHG period, compared to the pre SHG period. But the significant increase in the PES is found among the members of Urban and Semi-urban areas since their respective ‘t’ statistics are significant at the five per cent level.

#### **7.2.4. Economic Empowerment**

- It is found that the highly viewed economic empowerment variables among the members at the pre SHG period are family income, savings and possession of movables. At the post SHG period, the identified economic empowerment variables are family income, savings and personal income. Regarding the economic empowerment, the significant differences between the pre and the post SHG periods have been identified in the case of personal income, savings, lending capability, family income, reduction in debt, possession of gold ornaments, additional income, bank account, possession of basic amenities of the house and

source of capital for their respective ‘t’ statistics are significant at the five per cent level.

- It is observed that the important Economic Empowerment Score (EES) among the members during the pre-SHG period is medium level which constitutes 40.2 per cent of the total. Whereas, it reveals that the important EES among the members at post SHG period is very high level, which constitute 44.0 per cent of the total.
- It is found that the higher EES among the member at the pre SHG period has been identified among the members of Semi-urban area. In the post SHG period, the higher EES is identified among the members of Urban area. There is a mild increase in the EES among the members of the Rural area at the post SHG period, compared to the pre SHG period and it is also found that the EES is not statistically significant. The significant increase in the EES in the post SHG period is identified among the members of the Semi-urban and Urban areas since their respective ‘t’ statistics are significant at the five per cent level.

#### **7.2.5. Social Empowerment**

- It reveals that the level of social empowerment among the members at the pre SHG period is lesser compared to that of the post SHG period. The higher empowerment is identified among the members in the case of recognition by the family members and recognition by the society. Again in the post SHG period, it has been identified as, the recognition by the family members and recognition by the society. Regarding the level of social empowerment among the members, the significant difference between the pre and the post SHG periods is noticed in the cases of recognition by the family members, participation in the social functions,

recognition by the traders, involvement in social activities, office bearer of any social organization and recognition by the other SHG members since their respective ‘t’ statistics are significant at the five per cent level.

- It is found that the important Social Empowerment Score (SES) among the members is at the pre SHG period is at the medium level, which constitutes 43.6 per cent of the total. Whereas, it depicts that the important SES among the members at the post SHG period is very high which constitute 51.2 per cent of the total.
- It is found that, in the pre SHG period, the mean of the SES among the members of Urban area is 2.2887 and it has been increased to 4.1245 in the post-SHG period. Whereas in the case of members from Rural and Semi-urban areas the means of SES are 2.125 and 1.9405 and it has been increased to 2.4007 and 3.6175 respectively in the post-SHG period. It is found that the increase in the SES of among the members of the Rural area is not statistically significant. The increases in the SES among the members of the Semi-urban and Urban areas are statistically significant since their respective ‘t’ statistics are significant at the five per cent level.

#### **7.2.6. Political and Legal Empowerment**

- It is found that, the highly viewed variables among the members at the pre SHG period are participating in anti-social evils awareness camp, awareness on legal formalities of business and awareness of the law of inheritance. At the post SHG period, these variables are participating in anti-social evils awareness camp, awareness of female priorities and awareness on legal formalities in business.

Regarding the awareness of the variables, the significant differences between the pre and the post SHG period have been noticed in the case of all the variables related to the political and the legal empowerment except the campaigns for a political candidate since its ‘t’ statistics is not significant at the five per cent level.

- It depicts that the important Political and Legal Empowerment Score (PLES) among the members at pre-SHG period is medium level which constitutes 44.6 per cent of the total respectively. Whereas, it exhibits that the important PLES among the members in post-SHG period is very high which constitute 52.5 per cent of the total.
- It is observed that, in the pre SHG period the higher level PLES is identified among the members of Urban area. Among all the members of the three areas, the PLES has been increasing from the pre SHG period to the post SHG period, but the significant increase in the PLES has been noticed among the members of Urban and Semi-urban areas since their respective ‘t’ statistics are significant at the five per cent level.

### **7.3. OVERALL EMPOWERMENT**

- It illustrates that the important Total Empowerment Score (TES) among the members during the pre SHG period is medium level which constitute 33.3 per cent of the total. Whereas, it reveals that the important TES among the members at the post SHG period is very high level, which constitutes 41.0 per cent of the total.
- It is found that the mean score of TES among the members of Rural area has increased from 2.1965 to 2.6296 whereas among the members of Semi Urban and

Urban areas, it has increased from 2.2276 to 3.6996 and from 2.1074 to 4.1166 at the pre and post SHG periods respectively. Even though there is an increase in the total empowerment score among the members of Rural area, the increase in the TES is not statistically significant. Among the members of the Semi-urban and Urban areas, the increase in the TES is statistically significant since their respective ‘t’ statistics are significant at the five per cent level. The analysis reveals that there is an increase in the Total Empowerment Score among the members of the Semi-urban and Urban areas to a considerable extent during the pre and post-SHG periods.

#### **7.3.1. Association between the Profile Variables and Empowerment Scores**

- Regarding the LES, the significantly associating profile variables are level of education, family size, number of earning members per family, and occupation, since their respective ‘F’ statistics is significant at the five per cent level.
- The significantly associating profile variables with the DMES are religion, caste, level of education, family type, and number of earning members per family, whereas in the case of the PES, these profile variables are religion, caste, age, and level of education.
- Regarding the EES, the significantly associating profile variables are caste, age, level of education, and occupation among the members since their respective ‘F’ statistics are significant at the five per cent level.
- The significantly associating profile variables regarding the SES are age, level of education, marital status, number of earning members per family, and occupation.

Whereas in the case of the DMES, these profile variables are age, level of education, marital status, family size, and occupation.

- Regarding the PLES, the significantly associating profile variables are level of education, family size, number of earning members per family, and occupation since their respective ‘F’ statistics are significant at the five per cent level.

## **7.5. IMPACT OF SHG ON INCOME GENERATION**

### **7.5.1. Income of the Members**

- It is observed that the dominant monthly income among the members at the pre SHG period is less than ₹ 500 and ₹ 500 to 1000 which constitutes 36.7 and 28.1 per cent of the total respectively. Whereas it is found that the important monthly income generated by the members at post SHG period is ₹2000 to 3000 and ₹ 3000 to 4000 which constitute 26.9 and 23 per cent to the total respectively.
- It depicts that the higher changes in the income have been identified among the members of Urban area since the mean of incremental income is ₹ 1887.15. Whereas in the case of Rural and Semi-urban areas, it is ₹1404.66 and ₹1116.48 respectively.

### **7.5.2. Savings of the Members**

- Overall a maximum of 26.3 per cent of the members is having a saving of saving of less than ₹50 in the pre SHG period since their ability and willingness to save are very less. Whereas, it shows that the important savings of the members per month at the post SHG period are ₹ 250 to 300 which constitute 18 per cent to the total respectively.

- It is observed that there is a growth of savings per month among the members of the three areas. It is identified as high among the members of Urban area and followed by the members of the Semi-urban area since their means of incremental savings are ₹ 238.87 and ₹ 201.18 respectively. Regarding the savings per month, the significant differences in the pre and the post SHG periods have been noticed among the members of all the three areas since their respective ‘t’ statistics are significant at the five per cent level. The analysis reveals the positive changes in the savings per month among the members.

#### **7.5.3. Material Possession of Members**

- It is found that in the pre SHG period the majority of the members among the three areas has material possession less than ₹ 10,000 which constitutes 24 per cent. Whereas, it reveals that the majority of the members across the three areas has material possession at post SHG period is ₹ 20000 – 30000 which constitutes 28.9 per cent of the total respectively.
- It is found that the higher mean of increment in the material possession is seen among the members of the Urban area since its mean of increment is ₹ 42535.49. It is followed by the members of the Semi-urban and Rural areas with the mean of increment of ₹ 36300.87 and ₹ 27492.43 respectively. The significant difference between the material possession in pre and post SHG period is identified among the members of all the three areas since their respondents ‘t’ statistics are significant at the five per cent level. Whereas it is higher among the members of Urban area compared to the members of the other two areas.

## **7.6. PROBLEMS ENCOUNTERED IN IGA**

- The highly perceived problems among the members of Rural area are lack of follow up by NGO and followed by poor social recognition, since their respective mean scores are 3.9337 and 3.9335 respectively.
- Among the members of the Semi-urban area these problems are higher dependence on suppliers and, care of the children since their respective mean scores are 3.9762 and 3.9325 respectively.
- The important problems identified by the members of Urban area are hectic competition and inadequate finance since their respective mean scores are 3.7273 and 3.5253.
- Regarding the problem perception, the significant differences among the members of the three area have been identified as hectic competition, gender discrimination, inadequate finance, social dependence, poor in analyzing the market, poor support of family members, underutilization of capital, poor social recognition, poor in allocation of funds, highly depend on suppliers, lack of self-confidence, conflict among group members, lack of concerned training, lack of timely guidance and lack of follow-up by NGO since their respective ‘F’ statistics are significant at the five per cent level.
- The most important problem identified by the factor analysis is ‘personal problem’ since its Eigen value and the per cent of variation explained by this factor are 3.8255 and 26.91 per cent respectively.

- It consists of five problems with the reliability co-efficient of 0.7677. The important problems are ‘personal problem’ ‘care of the children’ and ‘health problem’ since their respective factor loadings are 0.8355 and 0.8173.
- The second important factor identified by the factor analysis is ‘financial problem’ since its Eigen value and the per cent of variation explained by this factor are 3.0517 and 22.08 per cent respectively.
- It consists of four problems with the reliability co-efficient of 0.7362. The important problem in this financial problem is inadequate finance and underutilization of capital since their respective factor loadings are 0.9217 and 0.8655.
- The third and the fourth factors identified by the factor analysis are social problems and market problems since their Eigen values are 2.5673 and 1.4673 respectively. The per cent of variation explained by these two important factors are 16.77 and 12.11 per cent respectively.
- The social problem consists of three problems with the reliability co-efficient of 0.7808 whereas the market problem consists of three problems with the reliability co-efficient of 0.6911. The important problem in the above said two factors are gender discrimination and hectic competition since its factor loadings are 0.8193 and 0.8255 respectively. The factor analysis results in four important problems for further analysis.

## **7.7. ROLE OF BANKS**

- It is found that the banks have very high and high degree of response over the support of the government through financial assistance to promote financial assistance among the beneficiary members.
- It is observed that out of 24 bankers 8 of them have a high opinion relating to deposits promoted from the members of below poverty line annexed to the self-help groups / micro financial institutions.
- Out of 24 bankers 8 of them have a very high opinion relating to the loans taken by the members who associate with the self-help groups / micro financial institutions.
- It is depicted that 8 (33.33%) of the bankers have a high opinion relating to the financial support, 7 of them have a very high opinion, 5 have neutral opinion, 3 of them have low opinion and the remaining 1 has very low opinion on this. It is found in general that the majority of the bankers has high and very high opinion relating to this support to financial assistance to the members.
- Out of the total 24 bankers relating to the opinion on the purpose of loan 9 have a high opinion, 7 with very high opinion, 6 remain neutral and one respectively for low and very low opinion. The majority has high and very high opinion relating to the purpose for which the loans are sanctioned.
- It is found that of the bankers feel that the clients have insufficient security to offer, 7 have very high opinion on the same, 5 members are neutral to this opinion, 3 have very low opinion and the remaining one has low opinion. In

general it is found that out of 24 bankers, 8 of them high opinion about the insufficiency of security.

- Out of 24 bankers giving an opinion relating to the lack of regular income it is found that 9 stated that it is very high, 7 states that it is high, 6 are neutral to this and the remaining one each has low and very low opinion relating lack of regular income of the members of the banks. The majority of the members feels that the lack of regular income group is high and very high.
- It is observed that out of 24 bankers it is found that 9 have a high opinion, 6 have a very high opinion, 5 members are neutral to this statement, 3 have low opinion and 1 has a very low opinion. The majority of the member bankers stated that they have a high opinion relating to the loans already availed.
- It is found that out of 24 bankers it is found that 12 (50%) of the use of any of the required purposes and 9 (35%) of them use it for family purpose and the remaining 3 (15%) of them use for functions. The majority of the members has availed loan for meeting any of the required purposes.
- It is observed that the P value is 6.222, degree of freedom is 2 and the level of significance is 0.045 which is less than 0.05 and hence the null hypothesis is rejected. There is a significant relationship between the type of banks and the purpose of the loan.
- It is revealed that 9 bankers have a high opinion about the statement, 4 respectively has very high and neutral to this statement, 6 members have low opinion and 1 has a very low opinion on this. The majority have a high opinion of

the statement that the bankers provide service to the economically backward members.

- It is found that the principal factor security demanded by the bankers stands first with a score of 0.847 followed by nativity with a score of 0.790. The secondary factors are interest on a loan with a score of 0.825 followed by the repayment schedule with a score of 0.631.
- It is observed that the principal factors approach of the bank staff first with a score of 0.818 followed by facilities at the counter with a score of 0.815. The secondary factors are attractive premises with a score of 0.861 followed by the identification formalities with a score of 0.713.
- It is found that the principal factors no or little money with the member is with a score of 0.838 followed by the easy availability with a score of 0.790. The secondary factors are location / area with a score of 0.693 followed by the services provided by the banks with a score of 0.598.

## **8. SUGGESTIONS**

Based on the above findings, the following suggestions are made to all the stakeholders which are to be addressed individually in the effective application of the programme and enhancing further improvement in the living standard of the members.

### **8.1. To the members**

- ❖ The literacy status of the members across the three areas of Rural, Semi-urban and Urban states that more than half per cent of them are illiterates and school dropouts at the primary level of education. Hence, women's general education and literacy rate is important if they are to reach their full potential and become empowered. Thus, the members in touch with NGOs should organize a literacy programme for the illiterates and school dropout members of SHGs.
- ❖ Members should voluntarily come forward to organize business training linked with the help of NGOs, thus it can benefit poor women entrepreneurs when it is carefully designed to complement their existing skills and address their most pressing needs.
- ❖ In addition to educational disadvantages, one of the most difficult challenges that many women face when they start or expand business is the balancing of their business responsibilities with their household responsibilities. Although the ultimate goal may be for household responsibilities to be shared between men and women in the household, this sharing never happens in the short span of time. In many cases, women's business remains small and

concentrated in less profitable ventures due to time constraints. Hence, the SHG members should persuade their male counterparts of the families should be made to play a supportive role.

- ❖ Financial benefit should not be the major focus of the members and SHGs, beyond the financial benefit the members and other agents must aim at empowerment in all spheres. Hence, they should cultivate interest among the members to regularly participate group based the activities and equip them in enhancing skills and talents to get identity in the society.

## **8.2. To the NGOs**

- ❖ NGOs should organize market research and other tools to ensure relevance for clients, business training can be a valuable component of micro lending programmes. Hence, the members found themselves lack in analyzing the market for their products.
- ❖ The NGOs should arrange regular follow measures to find the difficulties involved in the income generating activities of the members, especially among the Rural members, since they found lack of follow up by the NGOs as a highly perceived problem.
- ❖ While the credit program had a definite impact on reaching microcredit among the women members, it had marginal impact on the pursing income generating activities successfully. The study found that the borrowers are embedded with insufficiency of finance to undertake their desired income generating activities, also due to compete some of the borrowers in the urban

locations able to run the income generating activities profitability. Hence, NGOs need to conduct an independent assessment once or twice in a year.

- ❖ With existing or emerging players are making their strides in diversifying products, from microcredit, health insurance to livestock insurance, particularly the gradual increase of loan from in subsequent cycles. It will be useful if the NGOs go for the practicing different segments of loan products with the differential rate of interest, according to the purposes namely for consumption, emergency needs to productive loans.
- ❖ The study found that around 69 per cent of the members from the Rural area are accessed to borrow from moneylenders, whereas overall, across the three areas 61 per cent of the members are accessed to borrow from money lenders. This situation demonstrates the need for NGOs to invest in understanding beneficiaries need and including their involvement in other credit system in order to design demand-led program. Hence, NGOs have to improve the knowledge of credit system existing in its operating area to ensure the loan products fit in with the existing competition.
- ❖ Entrepreneurship is promoted among women primarily based on indigenous skills and livelihood activities. As the majority of the borrowers taking up milch activity for income generation as the rural women have traditional knowledge about such activities. Apart from these, women have also taken up the trade and related activities on an individual basis in urban localities. But due to the absence of large scale credit and prevailing saturation among the trade activities, the women were not able to make sufficient profit from

their income generating activities. Thus, NGOs should focus on exploring opportunities for collective enterprise to enable communities to address sustainable livelihood needs and enhance economic opportunities.

- ❖ NGOs have to strengthen its federation to make SHGs self-sustainable in terms of financial, operational and governance aspects. NGOs should conduct writes' training through federation. It is observed that the majority of the members are functionally illiterates. Hence, it is essential to give training on writing the books and accounts of groups. In the long run it could create a burden for field staff to manage more groups. Thus, it should train members to organize the group members themselves through federation towards a sustainable organisation.

### **8.3. To the Government**

- ❖ A financial literacy and credit counseling centre may be opened in every district with suitable financial experts, bank officials and other agencies.
- ❖ The State Government may consider giving preference to uncovered areas for promoting the SHGs which is a means for taking the concept of financial inclusion and micro finance to every segment of the people.
- ❖ The training was given only on the conventional or traditional business activities. It is suggested that training on innovative economic activities by using the resources in and around the district may be given to the members of the SHGs.

- ❖ The government should provide more concession to the NGOs toward offering credit to the SHGs. Thus, it will be useful for the NGOs to reduce the transaction cost and simultaneously reduce the interest rate of the member borrowers of SHGs

#### **8.4. To the banks**

- ❖ It is suggested that the officials of the bank should visit the SHGs and grade them based on their quality and performance.
- ❖ The grading system format is already approved by the NABARD and if needed, banks can outsource the task of grading the SHGs to third parties to get better feedback.
- ❖ The loan applications of the SHGs should not be delayed beyond 15 days and the banks can fix a day for transactions of the SHGs.
- ❖ The formalities while opening the SHG accounts in banks can fix a day for transactions of the SHGs. The formalities while opening the SHG accounts in banks and while advancing loan to them should be simplified.
- ❖ There should be uniform format for account opening and loan application across banks.
- ❖ It is also suggested that necessary instructions may be given to the authorities and the bank officials to avoid the delay in sanctioning the loan and to respond to the queries of the SHG members.
- ❖ Loan amount is one of the basic components to start an activity and also women can be financially sound when the loan amount is given sufficiently.

Loan amount should be increased to the extent that they can take up an income generating activity.

- ❖ Same and balanced rules should be given to both private and public sector banks keeping the focus of financial inclusion and social development.
- ❖ Interest should be kept less and meager to help members enhance financial sustainability.

## **9. CONCLUSION**

One of the areas where the study found that savings-based microcredit programs lead by NGOs can play a significant role in rural women's lives. Women beneficiaries after joined the credit program have cultivated the habit of savings. It could not be said that they have not saved prior to SHG participation, but SHGs emphasis regular saving behavior among them. They now have access to independent sources of savings, women exercise control over their savings. However, a major concern arising with SHG programs is that access to financial services, whether in the form of saving, credit or insurance, as the answer to sustainable livelihood and poor women's empowerment. The study found that microcredit interventions alone are not enough for sustainable livelihood and poor women's empowerment. An integrated strategy is important between the state and the development initiatives like microcredit program to ensure the sustainable livelihood and poor women's empowerment. Since the neo-liberal economy and the withdrawal of the state from social sector questions the possibility of this integrated effort to ensure the dignified life of the poor. If the state was not successful in integrating than it is in the hands of the development organizations to integrate their program. NGOs have an immense wealth of experience in the field of organizing community development and

health care programs. NGOs as organizations were much more capable of mobilizing and raising awareness than what they do now-a-days. Later on it has opted to adopt such an approach that emphasizes more on credit disbursement activity; this shift might reduce the very effectiveness of their women's empowerment. For fostering women's empowerment, women SHGs should be encouraged to discuss not only savings and credit, but also gender-specific interests, literacy and numeric skills for women's empowerment. It is essential to form federations of groups and strengthen their linkages with branches and make the organization self-sustained.

## **SCOPE FOR FUTURE RESEARCH**

A few suggested areas of further research are;

- A Comparative Study of Different Microfinancing Models on Women Empowerment.
- A Study on Microfiance on Women Empowerment with reference to Social Entrepreneurship.
- A Comparative Study on the Sustainability of Microfinancing with reference to Rural and Urban Women Beneficiaries.