

## **Chapter 6**

### **Summary, Findings, Hypothesis Testing and Policy Implications**

Micro Finance refers to a movement where the 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 against risk. These services are not limited to credit, but included saving, insurance and money transfers. Micro Finance programs in the recent past have become one of the more promising ways to use scarce development funds to achieve the objectives of poverty alleviation. Totally this study says that, Micro Finance programs have gained prominence in the development field and beyond.

The thesis has prepared six chapters. The first chapter highlighted the core issues of Micro Finance and economic empowerment of women. Micro Finance is generally associated with poverty alleviation intervention, income distribution amongst a wider section of population, redistribution of purchasing power where a large number of people don't have enough purchasing power participate in a market economy. It is associated with savings in small amount and small loans, the affordability, availability, accessibility of small loans in flexible, sensitive and responsive manner, the availability of timely adequate uninterrupted finance that cannot provide collateral in a non bureaucratic style. It is a spring board for creating micro entrepreneurs and gender development. The study concluded that at micro level, women empowerment refers to involvement of women in decision making earning and sharing of food, cloth, housing, education and health facilities and commanding respect for self and member of the family. At macro level, women empowerment refers to participating in decision making process and commanding position along with their male partners in social, educational, economic and political spheres of society.

The second chapter highlights the theoretical literature review, studies dealing with the Micro Finance in general, women empowerment through Micro Finance, poverty alleviation through Micro Finance in particular. The SHGs are formed to empower women. These SHGs are getting Micro Finance assistance from many financial institutions. For the economic empowerment of women the study discussed many programs that are being sponsored and promoted by the government to eliminate poverty and other economic distress. Many institutions such as Cooperatives, RRBs, Commercial banks and NGOs are providing Micro Finance to undertake micro economic activities for economic empowerment of people. The Micro Finance is provided through SHG-Bank Linkage, most of the SHGs are formed by women folk. This would lead to poverty alleviation, women empowerment and improve the socio-economic conditions of Micro Finance beneficiaries.

The third chapter deals with Methodology, Data sources, Area of the study, District profile of Hassan, Geography, Demographics, Economy, Transport, Tourism, Religion, Industries, Education, Objectives, Hypothesis, Sample size, Variable chosen for the study, Statistical tools like Ratio analysis, Percentage, Average, Compound Growth Rate, Annual Growth Rate, Tentative Cauterization scheme etc..And this chapter also discusses Growth of Micro Finance in India, Multiple comparisons for regional spread of SHGs in India, Multiple comparisons for Agency-wise spread of SHGs in India, Multiple comparisons for Agency-wise bank loan outstanding in India. Micro Finance is one of the most important programs in India as developing countries are facing initial capital problem for investment that is why Micro Finance system is providing financial facility through SHGs. From the reported Anova results, the study says that it is clear that programs are growing through Commercial banks, Co-operative banks and RRBs with the help of NABARD. Commercial banks are playing vital role in providing loan facilities to SHGs through SHG-Bank Linkage Programs in India, but unfortunately, majority of members are using the loans for unproductive purpose. Therefore members should use loans to productive purpose, in order to improve and empower the economic conditions of the women in India.

The fourth chapter discussed about economic empowerment of the respondents of the study area through primary data. This chapter analyzed about economic indicators related to women economic empowerment namely, age, education, health indicators, occupation, income and saving from landholding, income from land activities, housing condition, electricity and other related variables. In this chapter study has used social related variables like freedom to go to market, movies, banks, medical, post offices etc...for know the social status of the respondents. This chapter summarized that, day by day economic empowerment of women increasing in study area through purchasing the assets, land, business and other economic indicators after joining SHGs and social indicators shown that, the SHG members have improved their freedom life after joining SHGs only in bank and medical facilities.

In the fifth chapters socio-economic conditions of the members of SHGs belonging to different social groups have been discussed. There are no any wider differences in cast-wise Micro Finance distribution system of the agencies in the study area. Here the study has used economic indicators to find out the differences between the four category respondents and the result found through percentage and paired t test. But this chapter concluded that when compared with all the groups, Minorities respondents are saving highly but ST's saving performance is very low and SC respondents are earning more income when compared with other category respondents but Other caste respondents are earning low income from Micro Finance facility.

The last chapter that is sixth chapter deals with summary, findings and policy implications related to both primary and secondary sources through macro study and micro study.

## **6.1 The Findings from the Secondary Data Relating to India**

- In the study period between 2001-02 and 2010-11, the No. of SHGs have increased from 149050 in 2001-02 to 1587000 in 2008-09. But SHGs formulation has decreased to 1200000 between the year 2008-09 and 2010-11

due to high rate of interest, lack of co-ordination in SHGs and lack of information about Micro Finance. But the overall, the average No. of SHGs is 804899.5 and Coefficient of variation is 69.01. In the same way there is a wide variation in Annual Growth Rate (AGR) of SHGs during the period of 2000-01 to 2010-11, but in the year of 2006-07 has highest GR with 78.31. Unfortunately in the last two year it has negative. The overall Average of GR of No. of SHGs is 26.21 and CV is 25.18 during the study period.

- NABARD is one of the main sources of sanctioning bank loan for SHGs. The sanctioned loan by the bank has increased from 2000-01 to 2010-11 due to more No. of SHGs formation. Hence the overall Average of bank loan is Rs. 6170.78 crores and CV is 89.84, but when it is observed that the Annual Growth Rate of bank loan has been decreasing during the period of 2000-01 to 2010-11. Though there is decreasing trend in the growth rate, the AGR of the bank loans is 50.78 and also the CV is 42.86.
- When one takes into consideration of Refinancing facility of the bank is increasing over a period of time that is 2000-01 to 2009-10. But in the year of 2010-11 Refinance has decreased from Rs.3173.56 crores to Rs.2545.36 crores compared to previous year due to decreasing in the No. of SHGs. So, the total Average of Refinance is Rs.1386.46 crores and CV is 71.14 during the above study period. And there is a wide variation in the Annual Growth Rate of Refinancing facility of the bank from 2000-01 to 2009-10 but in the year of 2010-11 it has negative GR. Moreover, the total Average of Refinance is Rs.28.93 crores and CV is 22.50 in that particular of period of time.
- The study shows that, number of SHGs among the six regions of the country namely Northern region, North Eastern region, Eastern region, Central region, Western region and Southern region are not similar. There is wide variation in No. of SHGs across the regions of India. The result of the ANOVA reveals that the estimated value of F is 11.17 is statistically significant at 1 percent

level. This indicates that there is significant difference in number of SHGs across 6 region of the country.

- In Multiple Comparison table, there are 6 regions, when compared to Northern region with other 5 regions it has significant differences with 3<sup>rd</sup> and 6<sup>th</sup> regions but other regions have insignificant. North Eastern region has significant differences with 3<sup>rd</sup> and 6<sup>th</sup> regions and this has no significant differences with other regions and when compared to the Eastern region with 6<sup>th</sup>, 2<sup>nd</sup> and 1<sup>st</sup> region are more significant but there is no significant differences with remaining regions. Central region has significant differences only with 6<sup>th</sup> region but it is insignificant with regions of 1<sup>st</sup>, 2<sup>nd</sup>, 3<sup>rd</sup>, and 5<sup>th</sup> and western region also has significant differences only with the 6<sup>th</sup> Region and this is insignificant with 1<sup>st</sup>, 2<sup>nd</sup>, 3<sup>rd</sup> and 4<sup>th</sup> regions. Lastly Southern region has significant differences with other 5<sup>th</sup> regions.
- Study reveals that, number of SHGs spread across three banks namely Commercial Bank, Co-operative Bank and Regional Rural Bank of the country is not similar. There is a difference in number of SHGs across the three banks in India. To test the difference in number of SHGs among the three banks of the country, the result showed that the estimated value of F is 8.707 is statistical significant at 1 percent level. This indicates that there is significant difference in No. of SHGs across three banks of the country.
- According to multiple Comparisons table, the Commercial Bank has significant differences at 1% level of significance compared to Cooperative banks and Regional Rural Banks. It means that, Commercial Bank has highest No. of SHGs because Commercial Banks are playing vital role in providing loan facility with low rate of interest to SHGs. The bank workers are working efficiently, they are giving more advertisements through NGOs to join the SHGs and providing good infrastructure facilities to SHGs in India compared to RRBs and Cooperative banks have 2<sup>nd</sup> and 3<sup>rd</sup> place in SHGs formation.

Hence the commercial bank has more No. of SHGs compared to other 2 banks.

- The study explains that, the Bank Loan Outstanding distributed across the different banks of the country is not similar. There is a wide variation in Bank Loan Outstanding distributed across the 3 banks of India. The result reveals that the estimated value of F is 2.872 is statistical significant at 10 percent level. This indicates that there is significant difference in number of SHGs across 3 banks of the country.
- The multiple comparisons clearly show that, the Commercial Banks have significant differences with Co-operative banks and Regional Rural banks in bank loan outstanding across 3 banks. But Co-operative Banks and Regional Rural Banks have statistically insignificant differences with each other. So it is summarized that the Commercial Bank has highest Bank Loan Outstanding because this bank has more No. of SHGs compared to remaining other banks promoted SHGs in India.

## **6.2 The Findings from the Secondary Data Related to Karnataka**

- The Micro Finance performance of Karnataka based on secondary data is given in terms of No. of SHGs, Bank Loan and Refinance for the study period from 2000-01 to 2010-11. Here Compound Growth Rate is used to identify the progress of SHGs bank linkage programme in Karnataka. In the initial period No. of SHGs was only 8,009 and it has increased to 94,280 till 2007-2008, after that No. of SHGs decreased to 49,759 in 2010-11 due to lack of knowledge & co-ordination of SHGs members about microfinance systems, because of their illiteracy and high rate of interest. The average No. of the SHGs is 51759.90 and coefficient of variation is 53.23 as well as compound growth rate of the SHGs is 18.23.

- NABARD has been providing loan facility to SHGs. Hence, from the initial period from 2000-01 to 2010-11; the NABARD has provided bank loans continuously from the amount of Rs.1,714 lakhs till Rs.1, 44,702.80 lakhs because of encouragement of the SHGs members to take loan and to attract the nonmembers to join the SHGs. The total average of the bank loan outstanding is Rs.60760.39 lakhs, the coefficient of variation is 89.90 and compound growth rate is 57.49.
- As well as refinance also increased from Rs.1,404 lakhs to Rs.16,477.80 lakhs for the period from 2000-01 to 2010-11 but in the year of 2005-06, 2007-08 and 2010-11. This has decreased to Rs.6,695.43 lakhs, Rs. 12,699.52 lakhs and Rs.16,477.80 lakhs respectively due to high rate of interest. Hence, the beneficiaries are taking low amount of Refinance. So, the average and coefficient of variation of the total refinance is Rs.10627.46 Lakhs and 67.34 respectively along with compound growth rate of 29.13.
- This study has used ANOVA table to test the number of SHGs among the three types of banks in India namely; Commercial Banks, Co-Operative Banks and Regional Rural Banks. Table 3.8 One way ANOVA result shows that, number of SHGs spread among the three banks is similar in Karnataka. Here estimated value of F is 1.397 is statistically insignificant. This reveals that, there is no significant difference in number of SHGs across three banks of Karnataka.
- The Multiple Comparison result shows that, statistically there are insignificant differences among three types of banks in SHGs formation in the state. It reveals that, Commercial bank has highest No. of SHGs because they are more connective and cooperative with SHGs with providing loan facility quickly and good infrastructure to SHGs members. RRBs and cooperative banks have 2<sup>nd</sup> and 3<sup>rd</sup> place in formation of SHGs respectively.

- The study has used ANOVA table to calculate the bank loan outstanding distributed among the three banks. The calculated result shows that, there is a wide variation in the distribution of bank loan outstanding among the three banks. So, estimated value of F is .663 which is statistically insignificant. It shows that, there is no significance between three banks in Karnataka in terms of Agency-wise Bank Loan Outstanding.
- Among the three banks there is no significance in bank loan outstanding. But, Commercial banks stand in first place in providing loan facility to SHGs due to high number of SHGs. In the same way RRBs and Cooperative banks have stood 2<sup>nd</sup> and 3<sup>rd</sup> place in bank loan outstanding performance in Karnataka.
- The refinance distribution among the three banks in the state. The reported result says that the estimated value of F is 3.982 is statistically significant at 5 percent level. Here also the differences in refinance distribution among the three banks like Commercial bank, Co-Operative bank as well as Regional Rural.

### **6.3 The Findings Mentioned Below from the Secondary Data of Hassan District**

- To calculate the Micro Finance progress in Hassan district, the study has used Average, Co-efficient of variation and compound growth rate techniques to find out the progress of SHGs, Bank Loan and Refinance from the year 2001 to 2011-12. During the study period No. of SHGs are increased from 490 to 24645, but in the period between 2010-11 and 2011-12 it has negative in progress due to lack of awareness about Micro Finance system. Hence, the average growth of SHGs is 14517 but Co-efficient of the variation is 75.48 and the compound growth rate is 42.43.
- Consequently, the NABARD has been providing loan facility to SHGs year by year positively since its beginning period now up to 2011-12. But during the period of 2001-02 and 2008-09, the AVG of provided loan amount was negative due to lack of demand for the loan from the SHG members. So,

average of the bank loan outstanding is Rs.4445.82 lakhs, Co-efficient of variation is 84.41 and the compound growth rate is 72.66.

- In the same way NABARD has been providing Refinance to SHGs positively up to 2011-12 for encouraging the SHG members. So, the total average of refinance is Rs.1384.072 lakhs during the period 2000-01 to 2011-12. But Co-efficient of variation is 64.85 and the compound growth rate is 35.69.

### **6.3.1 The Findings Related to Primary Data of Hassan District**

- It has been found that from the total number of 320 Micro Finance beneficiaries, 36.93 percent of respondents are in the age group of 35 to 45 years and 30.3 percent of respondents are above the age of 45 years. On the other, 22.79 percent of them in the age group of 25 to 35 years and 9.98 percent of them less than the age of 25 years.
- It is noticed that in the total beneficiaries, 38.17 percent of respondents have completed their primary education and 19.36 percent of them studied up to high school. Another 3.74 percent are pre –university, while 1.55 percent of them have completed other professional courses. On the other hand, 37.18 percent of respondents are without any formal education (illiterate).
- 40.61 percent of respondents are working as Home maker and remaining 50.29 percent of respondents are either working as wage labourers or doing petty business. Interestingly, another 9.1 percentage of respondents also included those working as domestic maids in other households for their livelihood.
- 42 percent of the respondents are registered as members, 1 to 5 years range since joining SHG and another 42 percent are in 6 to 10 years. The remaining 16 percent are above 10 years since joining SHG.

- Majority of microfinance beneficiaries are living in poverty that is why 44.2 percent of respondents are in the bracket of earning less than Rs 2000 percent month, because around 50% of the respondents have not possessed land therefore they are working as a wage labourers and domestic maids and they are earning low income and some landholding members are not cultivating the land. While 28.4 percent of respondents have their monthly income in the range of Rs 2000 and Rs 3000. Interestingly, only 9.5 percentage of respondents have their monthly income between Rs 3000 and Rs 4000 and 7.9 percent of them having more than Rs 4000 per month. About 10 percent of respondents declined to disclose their monthly income.
- The study has found that, 50.66% of the respondents have not any land, only 3.42% of the respondents have above 3 acres of land but 33.73% of the respondents have own land between 1 to 3 acres and only 12.9% of the respondents have less than one acres of land.
- In the total respondent only 17.7% respondents have irrigated land and 18.4% respondents have dry land but largest respondents (63.9%) have semi dry land.
- In the total land holders 82.3% respondents are cultivating the land and remaining 17.7% of the respondents are not cultivating the land.
- 30.15% respondents are earning annual income below Rs.5000 from land cultivation but 12.55% of the respondents are earning Rs.5000 to 10,000 and 7.46% of the respondents are earning annual income between Rs. 11000 to 20000 but remaining 14.34% of the respondent are earning above 20000 per annum.
- The study has been observed that 63.15 percent of the respondents are living in kaccha house before joining SHGs. Among the total respondents, merely 0.93 percent of respondents were able obtain the benefits from their SHGs which helped them to shift from an unstructured shelter to at least a kaccha

structured house. On the other, it is seen that only 26.86 percent of respondents living in Pakka (structured) house. On a positive note, 9.06 percent of respondents were able to make pakka houses after joining local Self Help Groups.

- In continuation with housing, answering to the query regarding the ownership – of respondents living in own house or in a rented house prior to joining SHG, it is observed that 69.98 percent of respondents living in their own house even before joining SHG whereas 1.24 percent of respondents saying that they moved to their own after joining SHG. With respect to availing of the housing facility provided by government, 7.17 percent of the respondents are living in a house provided by government before joining SHG, whereas 8.49 percent of them are still living in house provided by government after joining SHG. As far as the rented house details are concerned, 13.12% of the respondents stayed in rented house before joining the SHG.
- 1.55 percent of the respondents had their own bore well before joining the SHG and another 1.86 percent of respondents were able to dig a bore well for drinking purpose after joining SHG. With regards to present source of drinking water, it emerged from the survey that among those respondents not having their own potable water facility – through open well or individual borewell facility, about 93 percent of them totally dependent on public distribution – through Mini Water Supply taps and public borewells irrespective of their association to SHG., 6.80 percent of respondents had individual piped water supply to their respective houses provided by the panchayat. Interestingly, 7 of respondents were able afford to have piped water facility to their house after joining to SHG. Again, the financial assistance in the form of loan might have helped them in getting piped water facility.

- The electrification of house is being done at their own cost or availed through government scheme, it emerged that 60 percent had their own lighting arrangements before joining the SHG and only 1.86 percent of the respondents made their own lighting arrangements after joining SHG. On the other, it is also observed that 34.07 percent of the respondents had availed Bhagyajyothi scheme before and after joining the SHG while 3.31 percent of the respondents after joining SHG.
- The study clears that, 17.79 percent of the respondents had toilet facility before joining the SHG and 9.98 percent of the respondents have it after joining SHG. And 67.23 percent of the respondents are doing open defecation before and after joining SHG and 1.27 percent after joining SHG.
- Relating to source of cooking facilities 0.62 percent of the respondents use electricity as a fuel after joining SHG. As far as the usage of LPG as a fuel for cooking is concerned, 15.29 percent of the respondents are availing this facility before joining the SHG and interestingly 31.12 percent of the respondents are using LPG fuel after joining SHG. Similarly, 3.42 percent of the respondents are using biogas fuel before joining the SHG and only 0.62 percent of the sample respondents are using it after joining SHG. In continuation of source for cooking fuel, 2.79 percent of the respondents are using kerosene as fuel before joining the SHG and 10.0 percent of the respondents are using it after joining SHG. Likewise, 36.14 percent of the respondents are using wood as fuel before joining the SHG.
- Regarding nutrition consumption habit of respondents, it is observed that 97.5 percent of the respondents have remained unchanged with respect to consumption of milk before joining SHG. Only 2.49 percent of respondents disclosed that there is a decline in frequency of consumption of milk after joining SHG. As far as the consumption of fruits is concerned, 98.76 percent of the respondents disclosing of no change in consumption pattern of fruits

after joining SHG. A similar scenario is noticed with respect to egg and also non vegetarian food.

- Concerning to changing pattern of domestic infrastructure of sample respondents before joining to SHGs, firstly with regards to the possessing of Television in their respective houses, it is observed that 31.87 percent of the respondents are using TV sets before joining SHG while 59.05 percent obtained television set after joining to SHG. Usage of mobile phone also has its impact. It is seen that 33.11 percent of the respondents are using mobile phone before and this percentage increased to 59.04 percent after joining SHG. Similarly, there is an increase in percentage of respondent buying fans from 12.5 percent before joining to SHG to 31.55 percent after joining SHG. The other domestic infrastructure with higher percentage of respondents obtaining after joining SHG are items such as iron box, cooker and table and chairs especially the percentage of respondents owning table and chairs in their homes increased from 25.93 percent to 55.92 percent after their affiliation to SHGs.
- In total respondent 68.0 percent of the respondent are saving in SHGs only but 20.7 percent of the respondents are saving in SHGs with Other sources and 11.3 percent of the beneficiaries are not saving in any sources.
- In the total SHGs saving 97 percent of the respondents are saving weekly, remaining 3.0 percent respondent are saving monthly.
- The Microfinance agencies are providing interest rates to their savings, in the total saving 99.3 percent of the respondents are getting below 2 percent interest rate but only 0.7 percent respondents are getting above 2.0 percent interest rate.

- In the total 284 saving respondent, 40.8 percent respondents have depending on their husband or other family members and 59.2 percent of the respondents have own business or wage to repay the saving loan.
- Majority of the respondents are using saving funds to future purpose (60.2 percent) but 16.2 percent of the respondents are using saving funds to business purpose as well as 14.4 percent of the respondents are using saving funds for their children education purpose but 9.2 percent of the respondents are using their fund for agriculture purpose.
- In the same way in the total respondent 38.4 percent respondents are getting loans from banking sources (linkage group), 30.9 percent of the respondent NGO and 30.6 percent of the respondent are getting loans through only saving (non-linkage group).
- Main purpose of the SHGs is getting loans, they expect loans for their needs before getting loans in the same way, only 1.55 percent of the respondent had required below 10,000 rupees , 30.03 percent of the respondent had required amount was above 50000 rupees and 32.17 percent respondent had between 10000 to 25,000 rupees. Finally, 36.25 percent of the respondent had required amount was 25000 to 50000 rupees.
- Result shows that 28.75 percent of the respondents have taken loan between 16,000 to 25,000 and 25.64 of the beneficiaries have taken the loan between 10,000-15,000 but 26.23 percent of the respondents have got loan amount of below 10,000 finally, 19.38 percent of the respondents have got the loan of above 25,000which implies that there is a huge gap between required and sanctioned loan amount.
- As far as the rate of interest for the loan is concerned, 13 percent of the respondents have taken a loan with interest below one percent while 19 percent obtain loan at rate of interest of 1 to 1.5 percent. However, majority

(67 percent) of the respondents obtain loan at a rate of interest between 1.5 to two percent annually.

- 63.8 percent that is majority of the respondents have got their loan sanctioned within a month and 2.5 percent within two months while 33.5 percent have got the loan sanctioned with a timeframe above two months.
- When asked on frequency of visit that need to be paid to banks for getting the loan sanctioned, 63.1 percent of the respondents said that have visited the bank less than three times before getting the loan amount, while 5.9 percent of the respondents have visited between three to five times and one third (31 percent) of the respondents have visited the bank above five times to get loan sanctioned from the banks.
- In the total respondents majority of the respondent are using loans to productive purpose namely for agriculture (41.56 percent) and 11.24 percent for animal husbandry and 11.88 percent of the respondents are using loan amount for daily expenditure and 7.48 percent of the respondent using for future or repay the loans as well as 27.84 percent of the respondent are using loans for Other expenditure.
- In the study 40.63 percent of the respondents are depending on spouse for the repayment of the loan, 58.44 percent respondent through business and 0.93 percent of the respondents are depending on SHG loan for repayment of loans.
- 78.13 percent of respondents have not made any kind of insurance while only 21.87 percent of them having a micro insurance.
- In the total respondents Minorities are having highest saving habits when compared to other category respondents, this shown by paired t test.

- SC respondents are earning more income from Micro Finance activities; this result was calculated by paired sample t test.
- The study mentioned the caste-wise Age of the beneficiaries in the study area. Here only 3.43% of the respondents are aged below 25 years, 7.81% are comes between the age group of 25 and 35 years, 8.76% are between the age group of 34 and 45 years and 5% of the respondents are aged above 45 years in SC Caste. Where as in ST caste only 1.83% are aged below 25 years, 5.93% comes between the age group of 25 and 35 years, 9.08% are between the age group of 34 and 45 years and 8.12% of the respondents are aged above 45 years. Subsequently, 3.75% of the beneficiaries are aged below 25 years, 4.68% are comes between the age group of 25 and 35 years, 9.70% of the respondents are between the age group of 34 and 45 years and 6.87% of them are belong to the group of above 45 years age. Likewise, only 0.93% of the beneficiaries are aged below 25 years, 4.37% are comes between the age group of 25 and 35 years, 9.39% of the respondents are between the age group of 34 and 45 years and 10.31% of them are crossed the age of 45 years and above in other category.
- The thesis clearly illustrates the education level of the social groups in the study area. In the table 7.5% of the respondents are illiterates, 4.37% of them have completed upper primary education, only 1.87% are studied up to Pre-University education level, 0.62% are completed their college education and 10.62% of the respondents are finished primary education in SC category. Whereas in ST caste 7.82% of the respondents are illiterates, 4.68% are studied upper primary education, 1.25% of them are completed their Pre-University education, only 0.62% are finished their college education and 10.62% of the respondents are studied primary education. Subsequently, in minority category 13.43% are illiterates, 5% of them have studied upper primary education and only 6.57% of them are completed their primary education. Likewise, in other community also, 8.43% of the respondents are

illiterates, 5.31% are studied up to upper primary education, 0.62% have finished their Pre-University education, only 0.31% of the respondents are completed college education and 10.34% of them are studied primary education in the study area.

- Study clearly demonstrates that, the number of respondents belongs to various castes that have depended up on landlords for their loan in study area. According to this table, 11.87% of the SC respondents have been depended on landlords for their loan facility but 13.13 of them haven't depended on the landlords. Likewise, 14.37% of the ST respondents have been depending upon landlords for loan but 10.63% of them haven't depended. Similarly, 13.43% of the Minority respondents have depended on landlords for loan but 11.57% of them haven't depended on them. Finally, in other category also, 11.25% of the respondents have depended upon landlords for their loan facilities but 13.75% of them haven't depended upon landlords for their loan facilities in the study area.
- The study indicates the occupation pattern of the respondents of the various social groups in the study, 7.5% of the respondents are home makers, 11.87% are wage laborers only 5.63% of them are domestic maids in SC caste. Whereas, in ST caste 11.87% of the respondents are home makers, 11.56% are wage laborers and 1.57% of the respondents are domestic maids in ST caste. Subsequently, 10.93% are home makers, 13.43% are wage laborers and only 0.64% respondents are domestic maids in minorities. Likewise, 10.31% of the respondents are home makers, 13.43% are wage laborers and only 1.26% of the respondents are domestic maids in other groups in the study area.
- The caste-wise income earned from their lands in study area. 2.18% of the respondents have earned below Rs.5000, 4.08% have earned Rs.5000-10000 of income, 2.18% have earned Rs.11000-20000 of income, 12.81% have earned above Rs.20000 and 13.75% respondents have not cultivated their land

in SC category. Whereas in ST, 3.48% of the respondents have earned below Rs.5000, 3.12% of them have Rs.5000-10000 of income, 2.18% of the respondents have earned Rs.11000-20000 of the income, only 1.55% of them have earned above Rs.20000 income and 14.68% respondents have not cultivated land. Subsequently, relating to the respondents of minorities section, only 2.18% have earned below Rs.5000 income, 1.25% of them have earned Rs.5000-10000 of income, only 0.31% have earned Rs.11000-20000 of income, 2.18% of them have earned above Rs.20000 income and remaining 19.08% respondents have not cultivated land. Likewise, in other category also, 7.18% have earned below Rs.5000 income, 4.10% have earned Rs.5000-10000 of income, 2.8% have earned Rs.11000-20000 of income, 7.8% of them have earned above Rs.20000 of income and remaining 3.12% respondents have not cultivated land.

- The study clearly explores the land holding details of the respondents of the different social groups in the study area. Here, 10% of the respondents have no land, 3.76% are have the land asset of below 1 acre, 10.62% of them are have 1-3 acres of land holdings and only 0.62% of the respondents have the land holdings of above 3 acres in SC caste. Where as in ST caste, 11.26% have no land asset, 5% are have only 1 acre of land, 8.12% of them have 1-3 acres of land holdings and only 0.62% of the respondents have above 3 acres of land. Subsequently, in minorities also, 19.07% have no land, 1.56% of them have land of below 1 acre, 4.06% of the respondents have 1-3 acres of the land and only 0.31% of them have above 3 acres of land. Likewise, 10.33% of the respondents in other communities haven't land asset, 1.87% of them have only 1 acre land, 10.93% are have the land of 1-3 acres of the land holdings and 1.87% of the respondents have above 3 acres of the land holdings in the study area. So, it is very clear that majority of the respondents haven't land and the percentage of respondents who are having above 3 acres of land is very low.

- The study exhibits the housing pattern of various social groups in the study area. As per the table, 15.31% of the respondents belong to SC caste have been living in kaccha house before joining to SHG but after joining to SHG it is only 0.31%. Around 5.31% of the respondents have been living in pakka houses before joining to SHG, after 4.07% of them have been living in pakka houses. Where as in ST caste, before joining to SHG 14.70% of the respondents have been living in kaccha house and after joining it is only 0.31%. In the same way, 9.37% of the ST respondents have been living in pakka house before SHG and after joining to SHG the percentage is only 0.62. Subsequently, 16.25% of the respondents of Minorities have been living in kaccha houses before joining to SHG but after joining to SHG no one is living in kaccha houses. In the same 7.5% of the respondents in the same category have been living pakka houses before SHG but after SHG the percentage is only 1.25. Finally, in other category also, 16.89% of the respondents have been living in kaccha houses before joining to SHG but after SHG involvement it is only 0.31%. In the same way, 4.68% of the respondents have been living in pakka houses before getting membership of SHG but after it is only 3.12% have been living in pakka houses after joining to SHG in the study area.
- The study has shown the caste-wise saving purpose of the respondents in the study area. Here, 13.15% of the SC respondents have been saving their income for future needs, 4.37% of them have been saving for business purpose, 4.68% have saving for their children education and 1.87% of the respondents of the SC caste have been saving for agriculture and other activities. Where as in STs, 13.75% of the respondents have been saving for future requirements, 1.57% has been saving for business purpose, 3.12% of them have been saving for their children education and 2.5% of the respondents have been saving for agriculture and allied activities. Subsequently, in minority section also, 12.18% of people have been saving the amount for future needs, 5.65% of

them have been saving for business motive, 2.18% have been saving for their children education and only 0.93% of the people have saving for agriculture purpose. Likewise, 14.39% of the respondents in other community also saving for future plans, 2.81% of them have been saving for business, 2.81% have been saving for their children education and 2.81% of the respondents in other community have been saving for agriculture and other activities.

- The study clearly explores the requirement of the bank loan amount of the respondents belong to different social groups. As per the table 0.93% of the respondents in SC caste have the requirement of the loan amount of below Rs.10000, 9.68% of them have the requirement of Rs.10000-25000 of loan, 7.5% of the respondents have Rs.25000-50000 of loan requirements and 6.89% of them have above Rs.50000 of loan requirements. Where as in ST caste, 0.31% of the respondents have below Rs.10000 loan requirement, 9.68% of them have the requirement of loan amount of Rs.10000-25000, 10.31% of them have the requirement of the loan amount of Rs.25000-50000 and 4.70% of the respondents have above Rs.50000 of loan amount requirement. Subsequently, in minorities also, no one have the requirement of loan amount of below Rs.10000, 6.56% of them have the requirement of the loan amount of Rs.10000-25000 from banks, 11.56% of the respondents have the requirement of Rs.25000-50000 of the loan and 6.88% of the respondents from the same category have the requirement of above Rs.50000 of loan from banks. Likewise, 0.31% of the other community respondents have the requirement of below Rs.10000, 6.25% of them have required Rs.10000-25000 of loan amount, 6.88% of the respondents have the requirement of Rs.25000-50000 loan and 11.56% of the respondents have the requirement of above Rs.50000 of loan from banks.
- The thesis clearly illustrates the sanctioned bank loan amount of the respondents belong to different social groups according to their requirement of loan amount. From the given table 9.07% of the respondents in SC caste have

been obtained the loan amount of below Rs.10000, 6.25% of them have been received the amount of Rs.10000-15000 of loan, 5.93% of the respondents have obtained Rs.16000-250000 of loan amount and 3.75% of them have received above Rs.25000 of loan amount. Where as in ST caste, 7.5% of the respondents have obtained below Rs.10000 loan, 5.93% of them have been received the loan amount of Rs.10000-15000, 9.39% of them have got the loan amount of Rs.16000-25000 and 2.18% of the respondents have been received above Rs.25000 of loan amount. Subsequently, in minorities also, 4.37% of the respondents have been received below Rs.10000 of loan amount, 8.12% have been obtained the loan amount of Rs.10000-15000 from banks, 7.81% of the respondents have got the loan amount of Rs.16000-25000 and 4.70% of the respondents from the same category have been received the amount of above Rs.25000 of loan from banks. Likewise, 4.70% of the other community respondents have been received the loan of below Rs.10000, 5.93% of them have got Rs.10000-15000 of loan amount, 5.62% of the respondents have been received the amount of Rs.16000-25000 loan and 8.75% of the respondents have been obtained the amount of above Rs.25000 of loan from banks.

- The study indicates the purposes of the loan amount utilization of the respondents belong to different social groups in the study area. Here, 5.64% of the respondents belong to SC have been used their loan for the purpose of daily expenditure, 2.18% of them have been spent on future/old loan repayment, 6.25% of the people have spent on agriculture, 2.18% of the people on animal husbandry and 8.75 of the people from the same caste have spent their loan amount on other purposes. Whereas , in STs 2.18% of the respondents have been used the loan for daily expenses, 2.5% of them spent on future/old loan repayments, 10.31% of the people have spent on agriculture, 4.37% of the people have been used for animal husbandry and 5.64 of the respondents from same caste have been used the loan for other

purposes. Subsequently, in minority section, 1.56% of the people have spent on daily expenses, 2.18% have spent for future/old loan repayment, 17.5% of the respondents used their sanctioned loan amount for agriculture purposes, 0.31% of the people have been used for animal husbandry and 3.45% of the respondents have been used for other purposes. Likewise, in other community also, 2.5% of the people have spent for their daily expenses, 0.62% of the respondents have spent on future/old loan repayment, 7.5% of the respondents have been used for agriculture purposes, 4.38% of them have spent on animal husbandry and 10% of the respondents have been used for other purposes in the study area.

- The study examines the sources of the loan repayment of the respondents belong to different class of society. According to the above table, 7.19% of the SC respondents have been repaying the loan from family sources, 17.5% of them have been depending upon business firms as their loan repayment source and 0.31% of the respondents have been repaying the loan from SHG Loan in the SC category. Whereas in STs, 12.19% of the respondents have been depending up on family sources, 12.81% of the respondents have been repaying from the source of business but no one has repaying the loan from SHG especially in ST caste. Subsequently, 11.25% of the respondents of minority section have been depending upon their own family as the main source of repayment, 13.44% of the respondents have been repaying the loan from their business activities and 0.31% of the respondents have been depending up on SHG loans. Finally, in other community, 10% of the respondents have been depending up on family income for their loan repayment, 14.69% of them have the source of business for loan repayment and 0.31% of the respondents have been depending up on SHG loan for loan repayment.

- The study demonstrates the caste-wise opinion of the respondents about Micro Insurance benefits in the study area. As per the given table, 7.81% of the SC respondents are Micro Insurance beneficiaries and 17.19% of them haven't taken benefits from Micro Insurance. Where as in ST caste, 4.69% are Micro Insurance beneficiaries and 20.31% of them haven't taken benefits. Likewise, 5.93% of the Minority respondents have opined about Micro Insurance benefits and 19.06% of them haven't opined about such benefits. Finally, 3.44% of the other community respondents have taken benefits from Micro Insurance and 21.56% of them haven't taken any benefits from Micro Insurance.

### **Findings from the Testing of Hypothesis**

#### **Testing of Hypotheses**

In this section the study has tested some of the important hypotheses related to the women empowerment through micro-finance especially for the study area.

#### **Hypothesis – I**

- $H_1$ : Micro Finance has made a positive impact on the women economic empowerment.
- $H_0$ : Micro Finance hasn't made a positive impact on the women economic empowerment.

Above hypothesis has been tested by using percentage of the interviewed women respondents in the study area related to the impact of Micro finance on women empowerment in the study area.

This hypothesis has been proved by the table No. 4.14. In this table 1.55 percent of the respondents were using individual borwell but after joining SHGs 5.29 percent respondents using individual borwell, table 4.17 illustrated that 0.62 percent of the respondents used electricity as a fuel after joining SHG. As far as the usage of LPG as a fuel for cooking is concerned, 15.29 percent of the respondents are availed

this facility before joining the SHG and interestingly 31.12 percent of the respondents are using LPG fuel after joining SHG. This is one of the notable benefits gained by associating themselves to SHGs. 2.79 percent of the respondents are using kerosene as fuel before joining the SHG and 10.0 percent of the respondents are using it after joining SHG. Likewise, 36.14 percent of the respondents are using wood as fuel before joining the SHG as well as table No. 4.18 mentioned that 97.51 percent of the respondents have increased their consumption of milk after joining SHG. Only 2.49 percent of respondents disclosed that there is a decline in frequency of consumption of milk after joining SHG. As far as the consumption of fruits is concerned, 98.76 percent of the respondents increased their consumption of fruits after joining SHG with respect egg and also non vegetarian food. With domestic infrastructure and livestock purchasing also increased after joining SHGs (see table No.4.19 and 4.20). And saving and income also increased (tale No.5.45 and 5.46) of the respondents with this hypothesis proved by table No. 3.1 to 3.14. Finally social freedom of the respondents also increased represented by table No.4.37. This above result shown that after joining SHGs respondents still have been empowering through Micro Finance, therefore they are expecting more facilities from Micro Finance agencies.

Impact of SHGs on Savings and Income of women belongings to various social groups has been tested and presented below

### **Hypothesis – II**

- $H_2$ : Micro Finance has positive impact on economic empowerment of women after joining SHGs.
- $H_0$ : Micro Finance has no positive impact on economic empowerment of women after joining SHGs.

The above said hypothesis has been tested by using paired sample t test.

### **Impact on Savings**

This hypothesis has been proved by the tables from 5.39.1 to 5.39.4. It is observed from the table No. 5.39.1 that the Mean Annual Saving of the SC groups increased from Rs. 935 to Rs. 1756 after joining SHGs. The table No. 5.39.2 revealed that the Mean Annual Saving of the ST groups increased from Rs. 828 to Rs. 11461 after joining SHGs. In the same way table No.5.39.3 provided that the Mean Annual Saving of the Minority groups increased from Rs. 907 to Rs. 1780 after joining SHGs and Mean Annual Saving of the Others' groups increased from Rs. 1308 to Rs. 2051 after joining SHGs according to the table No. 5.39.4.

Totally when compared with all the groups, Minorities respondents are saving highly but ST's saving performance is very low.

### **Impact on Income**

It is observed from the table No. 5.40.1 that the Mean Annual Income of the SC groups increased from Rs. 1072 to Rs. 2300 after joining SHGs. The table No. 5.40.2 revealed that the Mean Annual Saving of the ST groups increased from Rs. 1145 to Rs. 2119 after joining SHGs. In the same way table No.5.40.3 provided that the Mean Annual Saving of the Minority groups increased from Rs. 2111 to Rs. 2888 after joining SHGs and Mean Annual Saving of the Others' groups increased from Rs. 2281 to Rs. 3010 after joining SHGs according to the table No. 5.39.4.

Totally SC respondents are earning more income after joining SHGs when compared with other category respondents but other caste respondents are earning low income from Micro Finance facility.

From the above analysis it has been noticed that, the hypothesis indicating Micro Finance has positive impact on economic empowerment of women after joining SHGs in the study area has been accepted and the alternative hypothesis has been rejected. Because, the reported results of the tables from No.5.39 to 5.40 are statistically significant at 1 percent level and it is also substantiated by the significant t values.

### **Hypothesis – III**

- $H_3$ : Micro Finance has differential impact on economic empowerment of women from different social groups.
- $H_0$ : Micro Finance has not differential impact on economic empowerment of from different women social groups.

The above said hypothesis has been tested by using Oneway ANOVA test.

### **Impact on Saving Before Joining SHGs**

This hypothesis has been proved by the tables from 5.41.1 to 5.41.4. The table 5.41.1 shows the results of the ANOVA test which is used to analyze the differences in savings of the women respondents of social groups before joining to SHGs among various categories. According to the above results it is very clear that, there is a significant difference in savings of the respondents of the social groups before joining to SHGs.

The multiple comparison table is used to analyze the social groups-wise differences in savings level of the women respondents before joining SHGs in the study area. As per the given table, there is a significant difference between ST and Minority social groups compared with SC social group but there is no significant difference with Others' category relating to saving level of the women respondents. Hence, the Mean value is 106.70673, 27.60225 and -373.15424 respectively.

Subsequently, same results have found out when compared the saving level of STs with the remaining categories. There is a difference between ST, Minority and Others social groups relating to their saving level of the women respondents with Mean value of -106.70673, -79.10448 and -479.86097 respectively. Relating to the comparison between Minority with SC and ST there is an insignificant differences with mean value of -106.70673 and 79.10448 respectively but there is a significant difference with Other category (-400.75649). Finally, there is a difference between SC, ST and Minority social groups with other category relating to the saving level of

the respondents. The Mean value is very high and significant with 373.15424, 479.86097 and 400.75649 values for respective social groups.

The above analysis clearly says that, there is a huge difference between the social groups in saving level of the respondents before joining to women SHGs in the study area.

### **Impact on Saving After Joining SHGs**

The table 5.41.2 shows the results of the ANOVA test which is used to analyze the differences in savings of the women respondents of different social groups after joining to SHGs. According to the above results it is very clear that, there is a significant difference in savings of the respondents of the social groups after joining to SHGs.

The multiple comparison table is used to analyze the social groups-wise differences in savings level of the respondents after joining SHGs in the study area. As per the given table, there is no significant difference between ST, Minority and Others' category compared with SC relating to saving level of the women respondents after joining SHGs. Hence, the Mean value is 294.87110, -23.93487 and -295.14321 respectively.

Subsequently, same results have found out when compared the saving level of STs with the remaining categories. There is no significant difference between SC as well as Minority and there is a significant difference with Others' group with Mean value of -294.87110, -318.80597 and -590.01431 respectively. Relating to the comparison between Minority with SC, ST and Others' women respondents, there is no significant difference with mean value of 23.93487, 318.80597 and -271.20834 respectively. Finally, there is no significant difference between SC and Minority groups with others' category but there is a significant difference with ST respondents with the Mean value of 295.14321, 271.20834 and 590.01431 respectively relating to their savings.

The above analysis clearly says that, there is a huge difference between the respondents of social groups in saving level after joining to women SHGs in the study area.

Totally when compared with all the groups, Minorities respondents are saving highly but ST's saving performance is very low.

### **Impact on Income Before Joining SHGs**

The table 5.41.3 shows the results of the ANOVA test which is used to analyze the differences in income of the women respondents before joining to SHGs among social groups. According to the above results it is very clear that, there is a significant difference in income of the respondents of the social groups before joining to SHGs.

But ANOVA multiple comparison table 3.1 does not reveal the social groups-wise differences in income level of the respondents before joining SHGs in the study area. As per the result, there is no significant difference between SC and ST caste groups relating to income level of the respondents. Hence, the Mean value also -72.51 percent which is negative in nature. Further, there is a significant difference between minorities and other category with SC caste but the Mean value is negative. It means that, there is much difference between those social groups related to their income.

Subsequently, same results have found out when compared the income level of STs with the remaining social groups. Relating to minorities, there is an insignificant difference between minority and other categories but it is not applicable to the remaining two. Because there is huge difference between minority category with SC and STs. So, the Mean value is 1038.38 and 965.87 percent respectively. Finally, there is a difference between SC, ST and Minority social groups with other category relating to the income level of the respondents. The Mean value is very high and significant with 1208.52 and 1136.01 in SC and ST groups respectively and in minority it is quite low with 170.13.

The above analysis clearly says that, there is a huge difference between the social groups in income level of the respondents before joining to SHGs in the study area. Totally SC women respondents are earning more income after joining SHGs when compared with other category respondents but Other caste respondents are earning low income from Micro Finance facility.

### **Impact on Income After Joining SHGs**

The table 5.41.4 shows the results of the ANOVA test which is used to analyze the differences in income of the women respondents after joining to SHGs among social groups. According to the above results it is very clear that, there is a significant difference in income of the respondents of the social groups after joining to SHGs.

Multiple comparison table also used to analyze the social groups wise differences in income level of the respondents after joining SHGs in the study area. As per the given table, there is no significant difference between SC and ST social groups relating to income level of the respondents. Hence, the Mean value is also 180.95238 which is positive in nature. Further, there is a significant difference between minorities and other categories with regard to SC group but the Mean value is negative. It means that, there is much difference between the categories related to their income. Subsequently, same results have been found out when compared the income level of STs with the remaining categories, there is no significant differences between SC and ST but there is a significant differences with Minority and Other categories. So, the Mean value is -180.95238, -769.84127 and -891.36905 respectively. Relating to the comparison between Minority with SC and ST there is a significant difference with mean value of 588.88889 and 769.84127 respectively but there is no significant differences with Other category (-121.52778). Finally, there is a significant difference between SC and ST but no significant differences with Minority castes relating to the income level of the respondents. The Mean value is very high and significant with 710.41667 and 891.36905 in SC and ST caste respectively and in

minority it is quite low with 121.52778.

The above analysis clearly says that, there is a huge difference between the social groups in saving level of the respondents before joining to women SHGs in the study area. Totally when compared with all the groups, Minorities respondents are saving highly but ST's saving performance is very low.

From the above analysis it has been noticed that, the hypothesis indicating Micro Finance has differentiated the impact on economic empowerment of women social groups in the study area has been accepted and the alternative hypothesis has been rejected. Because, the reported results of the table from table No. 5.41 are statistically significant at 1 percent level and it is also substantiated by the significant Mean values. So, it has been proved that, there is a significant difference among all the social groups in terms of their income and savings and also the income and savings of such categories have increased after joining to SHGs in the study area.

## **Policy Implication:**

### **Loan Amount**

Loan amount should be increased because banks and NGOs are providing loans from Rs.5000 to Rs.25000 per beneficiaries but this is not enough in this inflation or modernization situation. Institutions should provide loan amount of Rs.2 lakhs to Rs.5 lakhs with long repayment period, if big amount is provided this can be used to productive purpose otherwise low amount helps only to unproductive purpose.

### **Loan Sanctioning Duration**

Importantly banks take more time to sanction loans when compared to NGOs, this is a burden on the beneficiaries. Banks are taking always around from 2 months to 1 year to sanction loans. Hence, the members have to visit banks 10 to 20 times. This will make them undergo lose of their daily wages.

### **Interest Rate**

Bank and NGOs are charging higher rate of interest, this interest rate for loan amount should be decreased. This enables to control money lenders who are also providing loan at the rate of 2% to 10% per month. The decrease in rate of interest from the Banks and NGOs would stop members going to money lenders.

### **Advertisement**

Most of the SHG members are illiterates, they do not know about importance of Micro Finance. Therefore Banks or NGOs should give information about importance of Micro Finance in every meeting. Through advertisement the importance of Micro Finance system should be made to reach the members. If advertisement is provided through TV, news paper and pamphlets would automatically increase the membership of Agencies which will also increase the income of Agencies.

## **Training**

SHG members are suffering due to lack of training in the field of beedi making, tailoring, pickles, in making the daily using goods, petty business etc. Therefore, the loans extended the SHGs members are being used to unproductive purposes like festival celebration, repay the old loans, daily expenditure etc. So that, providing the training to SHG members every year will enable the members to repay the loan easily and Indian farmer has depended on agriculture therefore training must be related to agriculture too.

## **Direct Supply of Goods**

Agencies should provide goods and services directly to SHGs alternative to cash, for example agencies should provide the necessary goods worth above Rs.5000 on fertilizer, seeds, agriculture accessories like tractor, triller in raining season. The government should provide land to agriculture for landless people, housing facilities etc. as well as NGOs should also provide the training to utilizing the distributed goods. Providing services in this manner would avoid the misuse of the loan amount.

## **Insurance**

The Agencies should implement the insurance facility for the SHGs members and their products during the period of natural calamities, this would build up the trustworthiness of Agencies.

## **Interference**

The rich people and non members should be avoided from interference in the activities of the SHGs. This would enable the poor people to make use of the Micro Finance facilities.

## **Selection of the Poor People**

Micro Finance facilities are going to rich people because agencies are not selecting the needy poor beneficiaries. To serve the poor people, Agencies should select the beneficiaries from among the poor people.

## **Coordination**

There should be a proper coordination between agencies and SHG members, but today, agencies have profit motive, hence, there is no coordination between them. Therefore SHG members are always conducting their activities with fear. This has to be eradicated through proper coordination between them.

## **Signature**

While providing loans, agencies get signature of their husband/others. This creates problems to women economic empowerment because this enables husband/others to know about the loan and forcibly use the loan for unproductive activities. Therefore more members avail the loans due to their forcing husband/others. So, this procedure of getting signature should be discouraged.

## **Subsidies**

Agencies should provide subsidies for every loan. For example, for Rs.10000, Rs.1000 could be offered as subsidy. This process helps in attracting new members to SHGs. But the agencies carry out their activities through bank account because more number of agencies provide subsidy itself as loan. This has to be monitored and see that the entire loan amount and subsidy component reach the beneficiaries.

## **Marketing Facilities**

Government should provide the marketing facility for their goods and services because if government provides the market facility that helps to get good price for their goods and services.

## **Tours**

Government and other Micro Finance agencies should conduct yearly once tours for women members for social empowerment.

## **Relaxation**

Government and other agencies should provide relaxation from repaying loan for those who have completed five years as a SHGs member and punctual in their

repayment. This policy helps in controlling the suicide in its members.

### **More Saving**

Some NGOs are discouraging the saving motivation of the members. This leads to burden on members to repay the loan. If SHGs save more it will be very helpful to them to repay the loan or for their other activities.

### **Women Supervision**

During the formation of the SHGs, its meetings, loan providing, and supervision of the SHGs, women supervision is better than men supervision as this helps women in SHGs to communicate freely and reduces their problem through SHGs.

### **Preference**

Micro Finance agencies should give more preference to Caste Wise loan providing policy as it can help the downtrodden people who are very poor.

### **Loan Repay Duration**

At present there is a practice of repaying of loan by the SHGs members weekly. This could be changed to monthly repayment policy. This would enhance their economic empowerment.

### **Reference:**

- Primary data.