

CHAPTER - VI

FINDINGS, SUGGESTIONS AND CONCLUSIONS

National Bank of Agriculture and Rural Development defines Self-Help Groups as ‘a homogenous group of rural poor voluntary formed to save whatever amount they can conveniently save out of their earnings and mutually agree to contribute and emergent credit needs’.

The SHGs comprise very poor people who do not have access to formal financial institutions. They act as the forum for the members to provide space and support to each other. It also enables the members to learn to cooperate and work in a group environment. The SHGs provide savings mechanism, which suits the needs of the members. It also provides a cost effective delivery mechanism for small credit to its members. The SHGs significantly contribute to the empowerment of poor women by involving them in some productive activity which in turn will yield something to overcome their poverty. A new programmes known as ‘Swarnajayanthi Gram Swarozgar Yojana’ (SGSY) has been launched from April 1999. This is a holistic programme covering all aspects of self-employment such as organisation of the poor in to Self-Help Groups, training, credit, technology, infrastructure and marketing. SHGs need credit support to undertake income-generating activities which the self-help groups undertake is marketing of commodities manufactured by them. NGO helps the SHGs in procuring raw materials and also marketing of the produce.

The main objectives of SHG is to inculcate the habit of thrift savings, banking culture, that is, availing the loan and repaying the same over a given period of time and in the process, again economic prosperity through credit. SHGs are mostly informal groups whose members pool their savings and relent with in the group on rotational or need basis.

SHGs have helped micro-enterprises by women individually and as groups. The examples are raising vegetables in the land commonly owned, ready-made garment making, developing model farms - integrating agriculture, horticulture and animal husbandary, cultivation of medicinal herbs, Mushroom cultivation, pot making, stone quarrying, sheep breeding and marketing wool, preparation of pickles, running canteens in Government office premises, taking on lease coconut groves, making sheet metal products, setting up mechanized dry cleaning centers, running public distribution outlets and so on. In a nutshell the SHGs have involved in activities of Manufacturing, Trading, Agriculture and Service activities. Self-Help Groups provided outside employment income; reduced dependency; enhanced women's autonomy and assertiveness; raised women's prestige and status such that they had relatively better control over material resources.

The thesis embodies the results of investigation on the role of Self-Help Groups in the empowerment of rural woman in Tamil Nadu with a special reference to Tiruchirappalli District. The researcher has identified the women Self-Help Group as a tool of empowerment of rural women and has examined the nature and extent of women empowerment through SHGs in Tiruchirappalli District. The socio-economic background of the SHG members, the SHG organizational setup,

micro-financial assistance to SHGs and members, various activities performances, skills awareness, self confidence developed and trainings imparted to the group members have been studied in order to evaluate the degree of socio-economic upliftment and benefits derived by the respondents. In short it is seen that SHGs in the study area have greatly helped for the empowerment of rural women in Tiruchirappalli District. With these in view the summary of findings, problems faced by the respondents and suggestions to overcome the challenges are described in this concluding chapter.

6.1 SUMMARY OF FINDINGS

About 56 per cent of respondents are in the age group of 30 and above, whom have actively participate in the Self-Help Groups. Seventy three per cent of respondents are from the backward community. Around 80 per cent of respondents belong to the Hindu religion. A significant percentage of respondents (28%) are educated in the non-formal stream and 38 per cent of respondents have done upto 8th standard. A majority (80%) of respondents are married and living with their husbands and children. Sixty seven per cent of respondents hail from nuclear families and 33% from joint families. Around 60 per cent of respondents live in medium sized families. Around 67 per cent of heads of respondent families are daily-wage earners. Around 94 per cent of respondents live in their own houses. Around 47 per cent of respondents live in pucca concrete houses. Generally possession of asset in terms land, sovereign, cattle *etc.* had not increased much before and after joining the Self-Help Groups. The percentage reveals almost same.

Around 46 per cent respondent households get a monthly income of ₹ 3001-4000 and 40 per cent get income of ₹ 2000-3000. Around 51 per cent respondent households spend ₹ 1000-2000 per month, while 0.6 per cent spend ₹ 4001-5000 per month. Around 50 per cent of respondent households save ₹ 1001-2000 and 28 per cent save below ₹ 1000 per month. Majority of respondents avail loan from sources other than moneylenders and commercial and cooperative banks and most of them repay the loans regularly. Forty two per cent of the respondents have had 3 to 4 years of existence in their respective groups. Around 75 per cent of the respondents' subscription per month ranged from ₹ 51 to ₹ 100 and 71.9 per cent of the respondents group's monthly savings ranged from ₹ 1001 to 1500. The 47.3 per cent of the respondents have availed loan between 2 to 4 times from the group. About 37 per cent of the respondents have availed upto ₹ 10000 from the group out of the bank loan. Around 61 per cent of the respondents have availed loan amount below ₹ 10000 from the group. About 42 per cent of the respondents utilize the loan amount to meet their household expenses. Around 39 per cent of the respondents have availed loan from the group and it is below ₹ 25000. About 49 per cent of the respondents have repaid upto ₹ 25000 to the group and this is an indicating parameter which shows that there is prompt repayment of the loan amounts by the members.

Majority (92%) of the respondents have undergone training given by different agencies in different activities. Nearly 68 per cent of the respondents have undergone skill related training in the field of trade activity. Around 72 per cent of the respondents have not undergone Entrepreneurship Development Programme

(EDP) training. About 44 per cent of the respondents have attended training on various activities organized by NGO. Around 43 per cent of respondents have attended training classes for 11 to 15 days. About 83 per cent of the respondents are satisfied with the training given to them different agencies. Factors of training like training period of training do not have significant relationship with the type of activity of the respondents. But there is a significant relation between level of satisfaction of training and type of activity.

Association between age of respondents and other variables: There is no significant association between age of the respondents and the monthly income, savings level, motivation for joining SHGs, the basis of selection of group leader, and purpose of raising loan. There is a significant association between age of the respondents and the monthly household expenditure.

Association between occupations of respondents and other variables: There is no significant association between occupations of respondents and the monthly household income, monthly household expenditure and monthly household savings.

Correlation between occupations of heads of households and other variables: There is a significant association between occupations of heads of households and the monthly household income and monthly household expenditure. There is no association between occupations of heads of households and monthly household savings.

Correlation between educational qualification of respondents and other variables: There is no significant association between educational qualification of

respondents and the monthly household income, monthly household expenditure, monthly household savings and their ability to get rid of fear psychosis.

Correlation between marital status of respondents and other variables: There is no significant difference between the marital status of respondents and their income levels. There is significant difference in the marital status of respondents and the levels of savings and expenditure.

Correlation between communities of respondents and other variables: There is a correlation between average income and community of the respondents, average expenditure and the community of the respondents and community savings levels.

Correlation between family type and other variables: There is no significant difference between the types of families of respondents in development of self-confidence and in having knowledge about women's rights.

6.3 SUGGESTIONS

The Self-Help Groups have indeed positively contributed towards the progress of rural masses. On the basis of the findings of the study following suggestions have been made which would help to improve the functioning of the Self-Help Groups and the members and in turn would help the empowerment of rural women.

Suggestions to the Government

- **** Government should encourage and support NGOs to attempt group approach and create favourable policy environment for SHGs to open their bank account with ease.

- ** There is possibility of loss of resources of the poor if not protected adequately against any possible crisis. So there is an urgent need to streamline the norms that regulate the micro-finance initiatives in the country.
- ** The trained members by the *Mahalir Thittam* through NGOs must train the other group members in an effective manner.
- ** Course curriculum, training venues and duration of training programmes for women can be planned in consultation with the women groups.
- ** A professionally trained social worker should be employed at the project officer's level.
- ** The literacy levels of rural women are low and hence efforts to enhance literacy levels in the area should be given priority.
- ** The government could make SHGs as statutory bodies and allowed to work with the local bodies to channelize women's development programmes.
- ** There could be an established media advocacy mechanism for highlighting grass-root issues on Self-Help Groups and micro-credit.
- ** NGOs and the governments can take necessary steps to sign memorandum of understanding with universities to provide proper education and training for SHG members.
- ** Governments should make rural people realize that the SHGs are the main medium of rural employment generation and support by the government will solve the problem of rural employment.
- ** Government should come with a special policy to create a separate cell for solving problems of SHG.

- **** To enable the micro-entrepreneurs to draw sustainable livelihood from the investment, every block should concentrate on specialized key activities, based on the local resources, occupational skills of the people and the supporting market conditions.
- **** More emphasis should be given on the training programmes so as to create awareness about the different types of activities like mushroom cultivation, cattle breeding, computer education, yoga and meditation.
- **** To increase the awareness of the public about the products of SHGs there should be advertisements in newspapers, journals, television and films. A portion of this expenditure can be subsidized by the government.
- **** Necessary steps should be initiated to solve the problem of shortage of the supply of raw materials to the members of SHGs.
- **** Government can take necessary steps to sell the SHG products through civil supplies, for example good products may be sold in ration shops and agricultural depots.
- **** Government should encourage export of goods which are produced by the group members.
- **** Government should bear the discount amount which is allowed by the groups on the sale of their products.

Suggestions to the Bankers

- **** Individual loan and Housing loan should be provided to the members of Self-Help Groups.

- ** The banks need not insist on the members to submit 'No Dues' certificates in order to get new loans. Instead, they may go by taking into account the nature of activity and the progress of the group.
- ** Delay in sanctioning of loan and also red tapism in the banks must be curbed by implementing a special scheme for SHGs.
- ** Banker has to inform the SHG about the new plans or schemes.
- ** Formalities may be simplified.

Suggestions to NGOs

- ** The members suffer from lack of finance for the expansion of their operations. This needs to be attended by banks and other financial institutions. The NGOs may help them in getting loan from the Government.
- ** NGOs may help SHG in identifying new marketing area and methods of distribution of products manufactured or marketed by SHGs.
- ** NGO official have to enhance the literacy level of SHGs members.

Suggestions to the Groups

- ** Self-Help Groups must try to function independently instead of depending on NGOs and Block Development Officers for their effective functioning.
- ** A Self-Help Group should not only concentrate on the growth of the group, but should also show active involvement on the social issues and other essential issues like health, sanitation *etc.* to develop the entire village.
- ** Groups should be aware of all government schemes and should make use of them for their development.

- ** The SHG members are advised to utilize the amount only for carrying out the assigned task.
- ** The members should undergo some sort of training in order to educate themselves about the utilization of money properly.
- ** The members should be trained to rotate the money for the benefit of meeting emergencies of the needy rather than sharing equally among themselves.
- ** Cooperation among members and proper repayment of loan is the only way to get success in their scheme.
- ** There should be rotation of group leadership, so that all the members of the group get an opportunity to play managerial role.
- ** Unmarried women can be allowed to become members, a lesser financial commitment may be draw up for them.
- ** The members have to select their activities keeping in mind the availability of raw materials, sufficient financial assistance, marketing facilities and also the demand for their products.
- ** Self-Help Groups can utilize National Small Industries Corporation, State Small Industries Corporation, Small Industries Development Organisation, Indian Institute of Foreign Trade, Handicrafts and Handloom Exports Corporation of India and State Small Industries Corporation for marketing their products.
- ** Good packing and branding of products should be introduced to capture the new market area and to increase the volume of sales.

6.4 CONCLUSION

The present research is an attempt to study the empowerment of rural women through Self-Help Groups in Tiruchirappalli District. Several development programmes have had their share in bringing about change and development in the lives of poor women. The study looks at the empowerment levels of women at four levels: the individual, the household, the self-help groups/enterprise and at the community level. The study finds that this mechanism of credit coupled with the mobilization and organization of women on the basis of strengthening and collective action empowers women. It is this aspect of the study that brings about welcome changes in the women's lives has to be highlighted.

The study also finds that the effectiveness of *Mahalir Thittam* project on women's empowerment is conditioned significantly by local context, influenced by existing social and cultural milieu as also the available livelihood opportunities. Although there is a strong indication that access to potent resource like credit will alter the economic opportunities available to poor women. Institutions that target women need to understand the regional and local context and adopt their approach/strategies accordingly. The study further finds that participation of women is a main ingredient for the successful empowerment. The study accepts all the four levels that greater participation of women in the project leads to greater levels of empowerment at the individual, household, self help group/enterprise and community level.

Mainstreaming an empowerment approach in micro-credit will inevitably involve a significant change in attitude, change in work practices and challenging

vested interests. Flexibility to women's needs and deciding the best ways of combining empowerment and sustainability objectives can only be done by using participatory techniques on the basis of extensive consultation with the women themselves. Research on women's felt needs, strategies and constraints and a process of negotiation between women and development agencies provide an enabling environment for women to be participants in their own development processes.

There are numerous examples of women earning a substantial income out of the micro-enterprises, women being, local leaders, women heading households and having a major say in family matters. It is crucial that such projects should be part of an organizational strength, reaching women to challenge gender inequality and economic injustice. The researcher presents this study with the fervent hope that this will draw the attention of the authorities, departments and organisations concerned with micro-finance and SHGs on various issues in respect of the development of women empowerment. Further SHGs are concerned with the development of women in all respects along with a sound knowledge about their rights and duties. To make the SHGs really meaningful and successful, the government at different levels have to intervene in a large scale not as provider of finance or provider of other inputs, but as facilitator and promoter. It is also thus important to view micro-credit programmes as a complement rather than a substitute for effective policies to be able to transform national and international development of women.