# CHAPTER FOURTEEN

## RECOMMENDATIONS

<table>
<thead>
<tr>
<th></th>
<th>RECOMMENDATIONS</th>
</tr>
</thead>
<tbody>
<tr>
<td>14.1</td>
<td>Introduction</td>
</tr>
<tr>
<td>14.2</td>
<td>Recommendations</td>
</tr>
<tr>
<td></td>
<td>A) Recommendations For SHG members</td>
</tr>
<tr>
<td></td>
<td>B) Recommendations For SHG/NGO</td>
</tr>
<tr>
<td></td>
<td>C) Recommendations for bank</td>
</tr>
<tr>
<td></td>
<td>D) Recommendations for the government</td>
</tr>
<tr>
<td>14.3</td>
<td>Scope for further research</td>
</tr>
</tbody>
</table>

459
CHAPTER FOURTEEN
RECOMMENDATIONS

14.1 Introduction:
The entire analysis followed by the research was thoroughly studied and put into four different headings for the following groups. The research study conducted helped in getting the following recommendations.
The recommendations have been divided into four groups which include
   A) Recommendations For SHG members
   B) Recommendations For SHG/NGO
   C) Recommendations for bank
   D) Recommendations for the government

14.2 Recommendations:
A) Recommendations for SHG members:
   1. Proper selection of business opportunities: There should be a proper venture analysis and research conducted prior to a set up of a business. The scope of the business should be studied.
   2. New business opportunities:
      1) Sale of seeds and fertilizers: For the proper growth of crop and good yield good quality seeds and fertilizers should be used. SHG will support the purchase of collective buying of seeds from the wholesale market and distribute it to its members which will lead to good crop.
      2) Group Dairy Business and Milk Products: If women start collective dairy business, the job opportunities will be available for them and others also. Milk products will be processed and sold in the market.
3) **Group Poultry Farm**: Women of SHG should come together and start group poultry farm. There is huge demand for poultry products in the market which will get them enough profit.

4) **Group Nursery**: SHG members can start nursery business as there are enough of resources to grow plants which can be sold in the urban areas.

5) **Group food processing**: Women can start the businesses like food processing. They can process on various vegetables and fruits like tomatoes, onion, orange, pineapple, ginger, garlic, chili, dry fruits, grapes, potatoes, etc. and prepare jam, juice, paste, baby food, energy drinks, etc. They can manufacture and import it to cities.

6) **Group farming**: If a group of farmers come together in tandem with the Self Help Group and start business, it can lead to the profit. They can work together

3. **Small innovations:**

1). **Packing of vegetables and sale**: If the fresh vegetables from the farm are processed and packed they would get better profit rates.

2) **Processing on product and sale**: If the agricultural product is processed it could get better rate in the market. E.g. Processing of Chillies into Chilli powder, Processing the Tomatoes into Tomato Ketchup.

3) **Direct sale to customer service**: If the product is directly sold to the customer and the channel members are avoided the farmers will get more prices for the goods. The goods will be available in cheaper cost for customers. The farmers wouldn’t have to pay to the middle men i.e. agent. Such businesses should be started with the help of members of SHG.

4. **Approach towards enterprise**: The approach need to be changed. Women can work for two to three hours at least. They need to take the business seriously.
More time should be given to the enterprise. If more time is given to the business we understand the problems and try to find solutions over them. So, it is very important to be devoted to the business.

5. **Collection of market information Market Survey** - Before starting any business it is essential to collect the information about the market, conduct market survey. It helps to run the business smoothly and get more profit.

6. **New wider market**; New markets must be made available. The members should use various techniques to find new market.

   i) **Exhibition:** There should be an exhibition of products of SHG at local and block level i.e. ‘Bhimthadi Jatra’ in Pune.

   ii) **Tie up with Government Department, Institutions & Companies:**

   The government demands tenders from the people for various requirements. The same way SHG should demand tender and give an opportunity to get earnings or jobs. If women take interest and make an agreement with various companies and institutions, they would get permanent source of income.

   iii) **Advertisement:** Proper advertisement methods should be adopted to run women’s business effectively. They can follow various means of advertisement. For example:

   1) Displaying banners

   2) Street plays

   3) Display of sale

   4) Distribution of samples

   5) Attractive wrapping and manufacturing.

   6) Demonstration
Instead of relying only on word of mouth publicity various techniques of advertisements can be used.

7) **Utilize and repay the loan properly**:
The disbursed loan must be used for the purpose of business only. Women must be aware of repaying the loan. If they neglect to repay the loan the business does not run smoothly. They must develop the positive attitude to repay the loan and earn profit. SHG should guide women properly.

8) **Material cost Recovery**: The sale of the product should not incur loss. The cost of producing the material should be recovered.

9) **Habit of writing an account should be developed**.

It is very important to keep the record of stock, sale, profit, loss, etc. in business. The record must be kept regularly. It should be given to the secretary of SHG for checking.

10) **Proper Location of Business**: Proper location of business need to be selected.

**B) Recommendations for SHG / NGO**

1. **Development of group entrepreneurship**: Group entrepreneurship should be developed through SHGs. It is very easy to run group business. It saves manpower, capital investment, etc. The burden of work and money is distributed on all the members of the group. For example, ‘Annapurna’.

2. **Marketing**: Members should make special efforts for marketing. Women must be bold enough and independent to struggle, find the various techniques, and use various sources to get the market. They should make separate unit for the permanent market. If they produce the stationary and material used for the government offices or other companies they can get permanent market.

3. **Development of business skills**: Members should develop their business skills and expertise. They can read business magazines, interviews of successful businessmen, meetings, field visits, etc.
4. **Training to the members of SHG:** The information about the Self Help Group and business can be given through training for the well management and administration of SHG and business.

The training can be given as per following guidelines:

**a) Training before forming group:** Awareness camp must be arranged before starting Self Help Group to create an interest amongst women. The following points should be taken into consideration during training program:

i) Aims and objectives of establishing Self Help Group should be cleared. For example, building confidence, habit of savings, importance of unity, etc.

ii) Structure of SHG should be explained.

iii) The process of selection of president and secretary should be explained.

iv) The duties of president and secretary should be explained to them.

v) Information regarding opening bank account and filling in the forms should be explained.

vi) Loan facilities of SHG and various schemes of banks should be explained.

vii) Information regarding various programs must be given.

viii) Information of keeping accounts and records, writing minutes, and books should be given.

**b) Training after forming group:**

1. **Conducting meetings:** The process, techniques and rules of conducting meetings with its importance should be explained. Various issues and problems should be discussed in meetings.

2. **Implementation of plan:** The information regarding the implementation of government schemes and programs should be given.
3. **Division of Work**: Members of SHG should be trained to divide project work amongst them. All the members of group must be assigned the work.

4. **Members’ participation in discussion**: Generally members of SHG do not discuss in meetings. Such members should be encouraged and motivated to discuss their points. They should be trained for giving speech. All these things are very necessary to run business slickly.

c) **Training before disbursement of the loan**: It is very important to give the following information to the women before the disbursement of loan.

1) **Objectives of the purpose of loan**: The purpose of getting loan and its uses should be explained to women.

2) **Proper investment of money should be taught**: Capital investment is very important before starting business. Women should be guided to invest money properly.

3) **Proper utilization of loan**: Loan amount must be utilized properly. We should buy them from wholesale market and avoid unnecessary expenditure.

4) **Information regarding preparing project should be given with sample project reports as it should be**: Each of the members must be able to prepare project report.

5) **Place of business**: The place of business should be fixed and selected skillfully. The place, market, atmosphere, etc. must be looked over before starting business.

6) **Profitability of project**: Profit is the core part of the business. There should be preplan regarding the margin of the business. Initially profit will be less than expectation.

7) **Awareness about the repayment of the loan**: Loan amount, tenure of loan, equated monthly installment (EMI), rate of interest chargeable, fee payable (administrative/upfront fee), and other related information about loan should be given before getting loan.
d) Training after the disbursement of the loan

1) Proper utilization of the loan: The loan amount should be invested in purchasing raw material, place, shop, warehouse, etc. properly.

2) All the documents of the loan and receipts of the purchases must be filed tidily.

3) Installation of Machines: Machines should be installed as per the instruction manual.

4) Proper program should be prepared to run the business. Record of purchase, storing, sale, advertisement, and profit should be looked into vigilantly.

5) Follow up of the business: Follow up should be kept on the business recurrently. It is very necessary to eradicate the problems and find out the solution for the sick unit.

6) Calculation of profit and loss: Cost price + processing charges + other expenses + profit = Selling price. Such formula is used in business. Business is for getting profit. If the record maintain of debits and credits, then it comes to know whether the business is in profit. If the business is in loss then it is compulsory to make necessary changes in the system.

7) Marketing idea for the business: Business is depend upon the profit. Various means and techniques of advertisement should be used for getting people attracted towards the product.

e) Training before starting the enterprise:

SHGs should be trained before starting the enterprise. The following points should be covered in the training before starting the enterprise.

1) Opportunities available: Available business opportunities should be discussed with the members of the Self Help Groups.

2) Market Survey should be done: It is very important to do the market survey before starting any enterprise. Availability of the things in the market and possible market should be discussed in group not to individual.

3) Field visits to successful units: Successful units should be visited and the information should be collected. Members of the group should interview such successful businessmen. Secrets of the business should be learned and discussed in groups.
4) **Preparation of project report**: Training of preparing project report should be given to the members. Economical evaluation can be done by the project report. Profit and loss account is shown in the project report. It helps in the decision making in the business. Some of the samples should be shown to the members in the training.

5) **Possible difficulties should be discussed**: Possible difficulties and solutions over them should be discussed in detail. The members should be bold enough to face such problems.

6) **Attitude towards the profit**: The art of getting profit should be learnt and such attitude must be developed.

f) **Training after starting the enterprise**:
   1. **Marketing**: Market is the heart of the business. Entrepreneur must be always in the search of new market. Market surveys must be done frequently.
   2. **Advertisement**: The ways and techniques of advertisement should be discussed in training.
   3. **Storage**: Some of the products are difficult to store. It should be discussed in training.
   4. **Costing**: The members of the group should be trained to fix the selling price of the product. Price can be changed as per the need.
   5. **Maintaining account**: Record of the business is very essential part of the business. Members should be trained to keep the record of accounts, purchase, debits, credits, processing, transport, storage, etc. It is very important to note it regularly. They must be habituated to keep the detailed record.
   6. **Alternate source for seasonal business**: If the business is seasonal, the changes should be made time to time. Alternate sources should be selected for it. Business should be run throughout the year.

g) **Soft Skills Development**:
   Women must be trained for the soft skills to develop their communication skills. Soft skill development programs should be arranged for them. They will learn building confidence, project preparation, presentation, argument, arrangement, etc. The habit of using available resources will be developed amongst them.
Through the proper management and administration they can get immense pleasure in their work and achieve their target

C) **Recommendations for Banks:**

1.) Banks should not only sanction and disburse the loan but also look into the use of loan.

2.) Banks should verify whether the loan amount is used for the given purpose. For that they should ask for the original bills and receipts. Further, they should inspect the following:

   a) They should visit the business place and see whether the plot is agriculture or non-agriculture as per the type of the business and its suitability.

   b) Machineries: Banks should inspect the information regarding the machineries, trained operators, space, etc.

   c) Banks should see whether loan amount and the type of business go in hand in hand. For example, The loan should be disbursed as per the need of the business.

3.) Staff of the bank should be thoroughly trained for the transactions and soft skills should be developed with the member of SHGs.

4) Separate section should be in bank to carry out the transactions of the SHGs.

5) Banks should guide the members to prepare project reports.

6). Banks should ask for the report of the market survey and see whether the particular business survives in the selected area before the loan disbursement.

7). Post loan disbursement, officers of the bank should visit the plant and see whether the business is started.

8). Banks can allot single copy of the agreement of loan with stamp of the bank on it to the members. The details of the loan amount, tenure of loan, equated monthly installment (EMI), rate of interest chargeable, fee payable (administrative/upfront fee), and other related information will be of help.

D) **Recommendations for the Government:**

1. **Group enterprises:** The government should motivate group businesses of the SHG. It should give special offers for such businesses.

2. **Subsidy:** The government should increase the subsidy to run the business smoothly for the economically backward classes.
3. Success stories must be published: The government should notice the successful businesses. Their stories must be published in the newspapers and magazines. Such businesswomen should be felicitated. It motivates others.

4. Gram Panchayat: i) Gram panchayat can felicitate the businesses of SHGs. It should implement various government schemes through SHGs.
   ii) Separate stalls of products of SHG should be set in weekly markets with the help of Grampanchayat. It will build confidence amongst women.

E) Recommendations for Group Enterprises

SHGs success depends upon the group business. The following recommendations will help to run group enterprises:

1. Leadership: Leadership is very important to run business through SHGs. If the members get proper guidance the business can run smoothly. Banks and NGOs can identify and hire excellent leaders and guides. For example, Dr. Medha Samant runs ‘Annapurna’ excellently and nowadays it has got name and fame.

2. Unique and different business opportunities: Unique and different ideas should be implemented in the businesses of SHG.

3. Selection of location: The place for the business should be selected carefully. It should be close the market place.

4. Machinery: The selected machineries should be long lasting and standard. The care should be taken that machinery be installed at proper place.

5. Development of team spirit and decision making: Members of SHG should develop their team spirit and take decisions in group. It develops the confidence of the person.

6. Proper market: Market survey should be done carefully so that the findings do not contradict and the business runs smoothly.

7. Branding: It is necessary to brand the products. It creates the surety amongst the customers and reduces its duplication.

8. Extent of the business: Business must be economical and profitable.

9. Continuous Changes: Changes should be in the business as per the need and demand of the market.
10. **Guidance:** Necessary help of consultants be taken like MCCIA, MCED, DIC, NABARD regarding loan, technology, and market.

11. **Decision making:** SHGs should be trained to work in group and decision making.

12. **Tie up with large scale industries:** SHGs should tie up with large scale industries and institutions for the market.

13. **Manager:** A professional, full time and trained manager should be appointed to look after the business.

14. **3 Scope for further research:** There is scope for further research on -
   1. Training modules.
   2. Group entrepreneurship.
   3. Detailed study of economic viability of micro enterprise.
   4. Study on cost of loan.
   5. Research on additional inputs required to SHGs and micro enterprises other than finance.

The present research brings out the fact that many micro enterprises started by women members of SHG are actually uneconomic and hence their performance is poor. However, because of SHG and micro enterprises social status of women has been changed for the better. But women are not benefited by the micro enterprises financially. The researcher, therefore, recommends that group enterprises should be encouraged in the rural areas.