CHAPTER VI

SUMMARY OF FINDINGS, SUGGESTIONS AND CONCLUSION

The summary of findings of the analysis relating to the Self Help Group members taken up Income Generating Activity is presented in this chapter. In addition, suggestions by the researcher in response to the findings are also presented. This chapter ends with the concluding remarks and the scope for further research in this area.

Micro-enterprise through microfinance has become a modern economic weapon for the poor to fight against poverty and unemployment. The present study aims to analyse the Self Help Groups that lead the society by undertaking Income Generating Activity (IGA) to strengthen the standard of living of people living in rural areas which is a rarely explored area in research. Hence, an attempt has been made to evaluate the investment, loan and savings pattern, impact of micro credit among respondents and the constraints faced by them due to their association with Self Help Groups with the following objectives:

Objectives of the Study

• To study the evolution, growth and development of microfinance movement in India.

• To study the socio-economic pattern of the respondents in the study area.

• To analyse the investment, loan availed and savings pattern involving micro credit among the respondents due to their association with Self Help Groups.

• To measure the impact of micro-credit on the development of the respondents on various dimensions.

• To assess the constraints faced by the respondents due to their association with Self Help Groups.

Using multi-stage random sampling technique, Karamadai Block with highest number of Self Help Groups was selected in Coimbatore district, Tamil Nadu, India. A total of 525 Women Self Help Group members of Karamadai Block covering 17 villages, carrying out Income Generating Activity were identified and selected for the study.
The present study is an empirical investigation based on both primary and secondary data. Primary data was collected using a well structured and pre-tested interview schedule by visiting all the respondents personally, keeping the objectives of the study in mind. The secondary data were collected from published and unpublished sources like books, magazines, journals, evaluation reports and thesis.

6.1 Summary of Findings

Chapter I of the study has dealt with the introduction and design of the study.

Chapter II of the study has dealt with the review of literature which has been undertaken to establish the validity of the research topic – Impact of Microcredit as a Change Catalyst to Self Help Group Members – An Empirical Study. In order to understand the concept of self help groups and also to identify the areas already investigated, some of the important studies already undertaken and related to the objectives of the present study have been reviewed for a span of more than two decades.

Microfinance - An Overview

Evolution, Growth and Development of Microfinance Movement in India has been analysed in Chapter III. India is brimming with Self Help Groups which are part of a bank linkage programme supported by the National Bank for Agriculture and Rural Development (NABARD) as a cost effective mechanism for providing financial services to the “Unreached Poor” which has been successful not only in meeting financial needs of the rural poor women but also in strengthening collective self help capacities of the poor, leading to their empowerment. Rapid progress in SHG formation has now turned into an entrepreneurial movement among women across the country. Beginning with a modest number of 255 Self Help Groups in 1992-93, a total of 12,19,821 Self Help Groups were credit linked with banks in 2012-13. The cumulative disbursement of bank loan was Rs.0.29 crore in 1992-93, which increased to Rs.20,585.36 crore in 2012-13. Total refinance increased from Rs.0.27 crores in 1992-93 to Rs.22,396.24 crore in the year 2012-13. The progress is notable in case of granting bank loan to the beneficiaries, refinance programmed and then the number of groups linked.
Investment, Loan and Savings pattern of the respondents

Chapter IV has analyzed the performance of the groups in terms of their entrepreneurial activities, investment, loan, savings and asset creation. The findings have been:

Socio-Demographic Profile of the Respondents

The members in the age group of 31 to 40 years (42.55%) and 41-50 years (40.2%) have constituted the maximum in Self Help Groups. Respondents with high school education (24.2%), middle school (20.8%), diploma holders (17.5%) and primary education (14.7%) constituted majority whereas the remaining members were with no formal education (14.5%), higher secondary education (5.9%) and graduates (2.5%). Majority of the members were married (76%) and living in nuclear family set up (70.3%). A majority (53.5%) of the members’ families consisted of three members. The total monthly income of majority (42.3%) were between Rs.8,000 and 10,000.

Self Help Group Profile

Majority(45.3%) of the respondents have been associated with the Self Help Groups for over a period of 5-6 years. 62.1% of the self help groups with which the respondents were associated consist of a minimum of 15 members and a maximum of 20 members in each group and Rs.50 was their monthly subscription for majority (76%) of the members.

Reasons for joining the Self Help Group

The first and the foremost reason as stated by the members for joining Self Help Groups has been to repay their old debts.

Income Generating Activity

A majority of members have started their Income Generating Activity was without having any previous experience and the span of their business were 3-5years. Sole proprietorship forms of organization were preferred by a majority (96.4%) and trading (48.8%) and service (29.5%) activities have been preferred by them. Non-Governmental Organisations (NGOs) played a vital role in starting entrepreneurial activities.
Training

Majority (81%) of the members have taken up Income Generating Activity without undergoing any training and a total of 100 respondents have undergone training, of which, a majority (76%) have been trained by Non-Government Organisations (NGOs).

Investment Pattern

A total amount of Rs.30,001-40,000 have been invested by 34.28% of the members, 24.38% have invested Rs.20,001-30,000, 18.86% have invested Rs.40,001-50,000, followed by 16% who have invested above Rs.50,000 and the remaining 6.48% have invested less than Rs.20,000 as their total investment in their business activities.

With regard to the sources of investment, 46.3% of the respondents have made their investment of Rs.10001-20000 which was out of their own savings, 56.2% have borrowed through internal lending between Rs.10001-20000 and 40.8% of them have borrowed an amount of Rs.5001-10000 from external sources.

Return on Investment

46.9% of the respondents were earning from their business an amount between Rs.4,000-5,000 per month, and a majority of 69.7% of the members has earned a profit of 21-30% from their Income Generating Activity.

Utilisation of Income from Buisness

6-10% of income made from the business was reinvested by a majority of 72.6% of the respondents, 1-5% of the income from business were utilized by 49.9% of the respondents for the repayment of loan; 67.6% of the respondents have utilized 1-5% of the income from business to meet their domestic expenses and 63% of the respondents have saved 1-5% of their income made from the business.

Pattern of Loan

43.4% of the respondents have availed a loan amount of Rs.15,001-20,000. Majority (93.1%) of them have availed the loan for carrying out their Income Generating Activities. A majority of 99.6% of the respondents have repaid the loan availed without any default.
Savings Pattern

With regard to the monthly contribution to group savings, 46.3% have contributed Rs.100 per month, and a majority of 67% has saved so far an amount of Rs.10,001 – 15,000 as their Total Savings. The main reason for savings by the respondents was to repay their old debts and they have saved it by curtailing their expenditure.

Chi-square test was carried out at 1% or 5% level in order to check the significant association between the demographic characteristics and the Income Generating Activity. The results revealed the following:

- There exists significant association between Educational Qualification and Previous Business Experience.
- Types of Activity carried out by the respondents have been significantly associated with the educational qualification, previous business experience, training undergone and total monthly income from business. There has been no significant association between the number of years as members of Self Help Group and types of activity.

One way ANOVA & Kruskal-Wallis H Test has been used to find significant difference if any, between the means of several independent groups or for more than two samples means at a time. The results at 1% and 5% level revealed the following:

- There exists significant difference in the amount invested in Income Generating Activity either from their own savings or group borrowings or outside borrowings based on various types of activity.
- The respondents who have undertaken manufacturing activity earned more profit (31.11%) on an average when compared to other activities. Those who are in the agricultural activity have earned lower profit percentage (27.77) as compared to other Income Generating Activity groups. The highest rate of return (31.11%) was made by the members carrying out manufacturing activity. The profit percentage made from Income Generating Activity differs significantly with the types of activity.
- Respondents who have undertaken manufacturing activity reinvested a higher percentage of profit (9.86) on an average and respondents doing service activity reinvested a lesser amount of profit (8.73) into the business. Reinvestment of profit percentage varies significantly among different types of activity.
• Utilisation of Return on Investment for repayment of loan and to meet domestic expenses vary significantly based on types of activity, whereas, it does not differ significantly with the savings made out of profit and types of activity. Respondents who have undertaken manufacturing activity have used a higher percent of profit (8.19) for repayment of loan and a lesser percent (7.05) of the profit were used by the respondents who have undertaken agriculture for repayment of loan. Members who have taken up service activity used a higher percentage of profit (6.85) towards domestic expenses and a lesser percent (5.49) of the profit was used by the respondents for domestic expenses by those who have undertaken agriculture.

• There exists significant difference in the loan amount availed based on different types of activity. Respondents who have undertaken service activity have availed a higher amount of loan (Rs.16,923) on an average and those who have taken up manufacturing have availed a lesser amount (Rs.14,528) on average.

• Respondents engaged in service activity have more savings (Rs.11639) on an average as compared with other groups and manufacturers have lesser savings (Rs.10875) on an average basis. The total savings made so far vary significantly among the different types of activity.

Assets Creation

Before joining Self Help Groups

83.8% of the respondents possessed land and buildings even before joining the Self Help Groups. 80% of the respondents did not own any machinery previously. Furniture and Household equipments were already possessed by 80.6% of the respondents. Only 19.6% of the respondents were having livestock. Ornaments were possessed by 73.7% of the respondents before joining Self Help Groups

After joining Self Help Groups

22.8% of the respondents have purchased land and buildings after becoming a member. 37% of them have purchased required machinery after joining Self Help Groups. 93% of them have purchased furniture and other household equipments after enrolling themselves in Self Help Groups. 24.4% of them have purchase livestock after
their association with Self Help Groups. 92% of them have purchased ornaments after their membership in Self Help Groups.

Chapter V has analysed the impact of micro credit on respondents before and after joining Self Help Groups. The constraints encountered by members were also discussed in this chapter. The findings were:

A) IMPACT OF MICRO-CREDIT

The impact before and after joining the Self Help Groups was measured on the basis of four factors consisting of a set of statements covering each factor.

Impact on Self-development

The impact on Self-development falls between ‘Disagree and Neutral’ before joining Self Help Groups. The opinions of the respondents have improved to ‘Agree and Strongly Agree’ after joining Self Help Groups.

Paired sample t-test and Wilcoxon Signed Rank Test (Matched Pair Test) reveals that self-development mean score before joining the Self Help Groups was 13.77, which has increased to an average of 24.86, after joining the Self Help Groups. This shows that there is a very good improvement in self-development of the respondents by joining Self Help Groups.

ANOVA & Kruskal-Wallis H Test reveals that

- The self-development impact mean score was highest (11.50) in the age group of 41-50 years. The lowest (9.50) impact on self-development was in the age group of 51-60 years. The impact on self-development differs significantly among the age group of the respondents. The middle age group respondents have a high impact score on self-development compared to other age groups.

- The impact of Self-development was calculated on the basis of the educational qualification of the respondents, and it shows a maximum mean score of 12.85 to those who are graduates and the lowest mean score of 10.61 for diploma holders. The impact differs significantly with the educational qualification of the respondents. Education plays a prominent role in the case of self-development.
• The highest mean score 11.49 on impact of self-development was given by the respondents whose monthly family income is above Rs.10,000 and the lowest mean score 10.21 was given by the respondents whose monthly family income is between Rs.6,000-8,000. There exists a significant difference between the impact on self-development and total monthly income of the respondents. Monthly Income plays a vital role in the self-development of the respondents.

• There exists significant difference in the impact on self-development based on various types of activity. It is high among the respondents carrying out agricultural activity as the mean score is 11.77 and lowest mean score 10.53 for traders.

• There has been significant difference in the self-development factors based on the earnings made from income generating activity. A higher mean score of 11.44 was found on those whose total monthly income falls between Rs.3000-4000 and a lesser mean score of 8.33 where the income is less than Rs.2000.

*t-test and Mann-Whitney U test for Equality of means* reveals that the impact on self-development mean score of the respondents who have undergone training is 11.05 which is slightly less than the mean score of those who have not undergone training (11.09), and the impact on self-development with that of training does not show any significant result.

**Impact on family**

The impact of micro-credit on family varied from ‘Disagree and Neutral’ among the respondents before joining the Self Help Groups. Opinion of the respondents ranged between ‘Agree and Strongly Agree’ after joining Self Help Groups.

*Paired sample t-test and Wilcoxon Signed Rank Test* shows that the impact on family differs significantly by joining the Self Helps. The family level scores, before joining the Self Help Groups, was 13.05 which have increased to 24.94 on an average after joining the Self Help Groups.

*ANOVA & Kruskal-Wallis H Test reveals that*

• There has been no significant difference in the impact on family based on the age, educational qualification, marital status and business income of the respondents.
There exists significant difference in the impact of family based on income from business. Increase in income would enhance the position of the respondents and also their significance among the family members.

**Economic Impact**

The level of economic impact before joining Self Help Groups varied from ‘Disagree to Neutral’. The respondents mean ratings have improved between ‘Agree to Strongly Agree’ after joining Self Help Groups.

*Paired sample t-test and Wilcoxon Signed Rank Test* indicates that the mean scores on the economic impact of micro-credit differ significantly by joining the Self Help Groups. Economic impact before joining the Self Help Groups was 12.70 which have increased to 25.07 on an average after joining the Self Help Groups.

*ANOVA & Kruskal-Wallis H Test* shows that

- The economic impact mean scores increases with the increase in age of the respondents till 50 years and thereafter the mean score starts declining. It shows that the economic status has increased. The economic impact has significant difference with the age of the respondents. Increase in income and savings might have increased the economic status of the respondents.

- There exists significant relationship in the economic impact based on the educational qualification of the respondents. Economic impact mean is found to be highest in case of illiterates, followed by respondents who have completed middle school, primary education and graduates. The mean scores show a decreasing trend for those who have completed high school, diploma holders and respondents with higher secondary education.

- The economic impact does not have significance based on marital status, number of years of association with Self Help Groups, Types of Activity and duration of Income Generating Activity.

- Economic impact reveals a significant difference in family income and income from Business.
The result of \( t \)-test and Mann-Whitney \( U \) test reveals that there is significant difference on economic impact and training undergone by the respondents. It reveals that the higher mean score 12.59 is attributed by the respondents who have not undergone training and the lower mean score 11.43 by those who have undergone training.

**Socio-political Impact**

Socio-political impact before joining Self Help Groups varied from ‘Disagree to Neutral’. The respondents mean ratings were between ‘Agree to Strongly Agree’ after joining Self Help Groups.

*Paired Sample t-test and Wilcoxon Signed Rank Test* shows that the mean scores on the socio-political impact of micro-credit differ significantly by joining the Self Help Groups. It also reveals that the higher mean score 12.59 is attributed by the respondents who have not undergone training and the lower mean score 11.43 by them who have undergone training.

*ANOVA & Kruskal-Wallis H test* points out that

- The socio-political impact differs significantly with the age of the respondents. The impact score is found to be high in the age group of 41-50 years, whereas it was low with other age groups.

- There exists significant difference among socio-political factors based on educational qualification. The mean score is higher 13.23 in case of graduates, 12.80 with illiterates and 12.31 with primary education. The mean scores were comparatively less for the respondents with diploma, high school, higher secondary and middle school education.

- The highest mean score 12.14 was found for the respondents with monthly family income of Rs.8,000-10,000 and 12.12 with above Rs.10,000. There has been significant difference in the socio-political impact of the members based on family income.

- The socio-political mean scores vary with the duration of years of income generating activity as a higher mean score 12.11 for the respondents doing business for 3-4 years, 11.56 with 1-2 years and 10.40 with above 5 years of duration.
• The socio-political impact among members differs significantly with respect to the total monthly income earned from the business. The highest mean score 12.72 for the respondents earning Rs.3,000-4,000 per month from their business activity, 11.58 with Rs.4,000-5,000, 11.38 with above Rs.5,000, 11.14 for earning Rs.2,000-3,000 and 9.08 for those earning less than Rs.2,000 per month from their Income Generating Activity.

• The socio-political factors do not significantly differ with marital status, type of activity and number of years of association with Self Help Groups.

The result of \textit{t-test} and \textit{Mann-Whitney U test} reveals that the socio-political factors differ significantly with respect to the training undergone by the respondents as the highest mean score 11.97 has been attributed by the respondents who have not undergone any training and 11.17 by the respondents who have taken up training.

\textbf{B) CONSTRAINTS FACED BY THE RESPONDENTS}

\textbf{Personal Constraints}

The lowest rating 2.95 was given to the constraint ‘Lack of freedom to take decision’ and the highest rating 3.2 for the constraint ‘Criticism by family members’. The personal constraint ranges between ‘\textbf{Low and Medium}’ among the respondents.

\textit{ANOVA} \& \textit{Kruskal-Wallis H test} shows that

• Personal constraints differs significantly with the association with Self Help Groups as a higher mean score 24.05 for those with 5-6 years of association with SHGs, 23.10 with above 6 years, 22.85 with 3-4 years and 22.12 for less than 2 years.

• A higher mean score of 24.56 for the members who have taken up agricultural activity, followed by 23.63 who have taken up service, 23.04 by traders and 22.14 by the members in manufacturing activity. Personal constraints have an effect with types of activity under taken by the members.

• There exists significant difference in the personal constraints based on business income. The higher the income from business the lower is the mean scores with regard to the personal constraints encountered by the members.
• The rate of return plays a significant role in overcoming the personal barriers encountered by the members. The mean score decreases with every increase in profit percentage made by the members from their business activities.

The result of *t*-test and Mann-Whitney *U* test shows that there is no significant relationship in the personal constraints based on the previous business experience. Mean value is high (24.01) among the members having previous business experience than that of the value (23.07) for those not having experience.

**Social Constraints**

The minimum rating 2.54 was given to ‘Social disturbances ( Strikes, riots, etc)’ and the maximum rating 3.88 was given to ‘Criticism by non-members of SHG’ shows that they have faced a ‘Medium to High’ level of social constraints.

*ANOVA & Kruskal-Wallis H test* shows that

• The social constraints the members have come across significantly differ with the number of years of association with Self Help Groups. The score is higher (16.97) with 5-6 years of association, 15.85 with above 6 years, 15.56 with 3-4 years and the score is 15 with less than two years of association.

• The maximum score is 17.60 with a business income of Rs.3,000-4,000 per month and a minimum score of 15.28 for those earned above Rs.5000 per month. It reveals significant difference in the social constraints based on business income.

• There exists significant difference with respect to the social constraints and return on investment. The highest social constraint score 17.00 has been related with 41-50% of profit and the lowest score 15.29 with 31-40% return on investment.

The result of *t*-test and Mann Whitney *U* test result shows that the social constraints and training programmes do not have any significance with each other. The extent of social constraints faced by the respondents having business experience was 17.16 and members without experience had the mean score of 1.73. There exists significant difference in the social constraints faced by the members based on previous business experience.
Business related Constraints

The lowest rating 2.32 was given to ‘Competition’ and highest rating 4.12 for the constraint ‘Delay in getting loans’. The level of constraints falls between ‘Low and High’.

ANOVA & Kruskal-Wallis H test reveals that

- There exists significant difference in the business related constraints with the years of association with Self Help Groups. The scores related to business constraints increased up to a period of 5-6 years and it started to decrease in the later years. Members might have faced problems till they establish themselves.

- The business constraints differ to that of income earned from business. The level of business constraints increases when the income from business was less and it decreases once the income rises after a certain level. On an average the force of constraints was at its peak, when the income from business was up to Rs.4000 per month.

- The highest mean score was 21.00 were found out with a return on investment of 41-50% and lowest score of 19.61 where the return was between 31-40%. The level of business constraints differs with the rate of return on investment.

The result of t-test and Mann-Whitney U test indicates that the constraints related to the business do not differ with regard to the training undergone by the members.

Economic Constraints

The lowest mean rating 2.46 was given to ‘Product has no market’ and highest mean rating 3.86 to ‘Cumbersome procedures in getting loans’. The level of constraints faced by the respondents varies from ‘Medium to High’.

ANOVA & Kruskal-Wallis H test indicates that

- There has been significant difference in the economic constraints faced by the members with different years of association with Self Help Groups. A higher mean score of 20.66 were found for members with 5-6 years of association with
SHGs, followed by 3-4 years and above 6 years scoring 19.52 respectively and 19.76 with less than 2 years of association with Self Help Groups.

- The highest mean score 21.05 was found when the business income was Rs.3000-4000, and lowest score was 19.52 among the respondents when their monthly income from business exceeded Rs.4000. Economic constraints have a significant difference with the total monthly income from business.

The *t-test* and *Mann-Whitney U test* result reveals that the training undertaken and economic constraints do not reveal any significant difference among the members. The test also shows that the score of economic constraint 20.73 was more among the respondents having previous business experience and 19.72 for those not having previous experience. The economic constraints differ significantly with previous business experience.

**Technical Constraints**

The Self Help Group members have encountered numerous technical barriers while taking up Income Generating Activity. The minimum mean rating 2.37 was given to ‘Lack of training’ and the maximum ranking 3.86 to ‘Power-cuts’. The level of technical constraint varies from ‘Medium to High’ among the respondents.

*ANOVA* & *Kruskal-Wallis H test* shows that

- There exists significant difference in the level of technical constraints based on the years of association with Self Help Groups. The score was at its maximum for those having more than 6 years of association and its minimum of 16.62 for those having less than 2 years of association ship with Self Help Groups.

- The degree of technical constraints shows significant difference with total monthly income from business. The score was higher (18.26) when the business income was Rs.3,000-4,000 per month and a lower score (16.41) where the business income was Rs.2,000-3,000 per month.

The *t-test* and *Mann-Whitney test* reveals that there exists no significant difference in the technical constraints based on the training undergone for carrying out the income generating activities. The quantum of technical constraints faced by the members varies significantly with
the previous business experience. The mean score was 17.76 for those having previous business experience and 17.00 for not having previous business experience.

**Correlation for impact factors**

Correlation were applied to find the degree of relationship among the various factors of impact namely, Self-development, family level impact, economic impact and socio-political impact of the members *before joining Self Help Groups*. It shows that there is a moderate level of correlation among the factors of impact. All the factors are positively correlated with each other. The highest positive correlation was found between family level impact and economic impact (0.591). The lowest correlation is between self-development and economic impact (0.466). All the factors of impact were found to be significant at 1% level.

Correlation was applied to find the degree of relationship among the various factors of impact *after joining Self Help Groups*. There is a moderate level of correlation among the factors of impact. All the factors are positively correlated with each other. The highest positive correlation was found between economic impact and socio-political impact (0.406). The lowest correlation is between self-development and socio-political impact (0.249). All the factors of impact were found to be significant at 1% level.

This shows that dependency level between the factors has reduced. It can be concluded that members have become independent after joining Self Help Groups and they were able to face and solve the problems they come across.

**Correlation for Constraints**

Correlations were applied to find the degree of relationship among the various constraint factors, namely, personal, social, business related, economic and technical constraints faced by the respondents while carrying out their Income Generating Activities (IGA). There is a moderate level of correlation among the constraint factors. All the constraints are positively correlated with each other. The highest positive correlation was found between economic constraints and technical constraints (0.612). The lowest correlation was found between social constraints and business related constraints (0.350). All the constraint factors were found to be significant at 1% level.
Multiple Regression Analysis

Regression Analysis on Overall Factors of Impact

Overall impact score was found out by adding the improvement scores of the factors relating to self-development, family level impact, economic impact and socio-political impact. Regression analysis was applied to find the effect of personal variables and constraints in microfinance and microcredit, namely personal, social, business related, economic and technical constraints on the overall impact scores.

Regression Analysis reveals that among the selected variables, monthly family income, personal constraints, social constraints and economic constraints have significant effect on overall impact scores.

6.2 Suggestions

Microcredit and micro-enterprises have been recognized as factors that contribute to the economic development of a nation. The non-availability of the required funds is one of the main constraints that entrepreneurs face in establishing micro-enterprises.

Micro-enterprises act as important social platform for women to interact with market and other social institutions outside the household, enabling them to gain useful knowledge and social capital.

If the goods produced by the rural poor are sold at the right time with profitable price, then the poor will be able to improve their savings potential, credit handling capacity and access to financial institutions, inculcate entrepreneurial skill, develop an urge for investment and also risk taking attitude through Self Help Groups.

Micro financing can do wonders to the rural poor living in improving their economic condition and protecting them from the clutches of the village money-lenders.

All eligible poor rural households in the country are to be covered through Self Help Group –Bank Linkage Programme.

Emphasis should be given to resource poor States/Districts/Blocks for promoting Self Help Group Bank Linkage Programme.
Special schemes can be devised to revive dormant SHGs through effective capacity building and handholding support by rating the performance of Self Help Groups.

Economic assistance can be made more flexible and be made easily accessible to the SHGs even at an early stage of micro activity, to provide a flexible ground to improve the scope and the functioning of the bigger activities.

‘Branding’, as a tool for marketing, has been considered as the basic requirement of today’s market, as the micro activities have been far left behind due to the traditional methods adopted and the lack of updated technology followed by these micro units. The micro enterprises can move towards technology based activities and organic farming, thereby paving a way towards transforming micro activities into major activities. Efforts should be taken to inject a positive attitude among the SHGs and their members, to create a standing for the introduction of their brands into the market, with a positive attitude to establish their market share. They can also be streamlined to go global with their products and services to create a virtual market.

The need based training programmes are to be made compulsory for all the Self Help Group members taking up Income Generating Activity to produce quality and demand products. It also helps them to overcome technical constraints.

Relevant measures can be devised to evaluate the effective utilization of loan for the purpose for which they have been obtained rather than being misused.

6.3 Conclusion

Micro-enterprises through microfinance is presumed to be the most innovative strategy to fight against poverty and unemployment by offering small, collateral free loans which otherwise would not have access to the required capital to start Income Generating Activities. It plays a vital role in providing the much needed funds to rural women which are able to generate good return on investment. They have become economically self-reliant and contribute to the well-being of their families by providing them funds made from their business activity.

Micro-credit has enabled the poor rural women to become economic agents of change. The impact of micro-credit to Self Help Group members in the study area is
appreciable in building confidence, courage, skill development and self-worthiness. It has contributed to changes in the self-development, family level, economic conditions, social status, and encourages women in outdoor activities after joining the self help groups. It not only changes the outlook of a community or society towards women, but also the social institutions as well as ideas of the people. It applies to change the material aspects of life as well as the ideas, values and attitudes of the people.

Self help group members have faced lot of constraints and tried to find out a proper solution for it in running their Income Generating Activities. The extent of constraints encountered by the members can be reduced in due course by experience, need-based training and also with the required support from government and NGOs.

It is concluded that micro-credit act as a vehicle for rural self help group members leading the march of India’s emergence as a super economic power in future. A number of countries, especially the developing countries and international agencies are turning to India to learn from its experiments with microfinance and to explore possibilities of replication of the model in other parts of the globe.

_Pandit Jawaharlal Nehru_ said, “To awaken the people, it is women who must be awakened; once she is on the move, the family moves, the village moves and nation moves.” Now the women are awakened by the self help groups.

**Scope for further research**

The following areas are suggested for further research:

- A Comparative Study of Public and Private Micro Finance Institutions (MFIs) may be attempted.
- A study on agency-wise and region-wise performance of micro finance may be analysed.