Chapter - 6
Conclusions
Suggestions and Recommendations
6.1 Strength of SHGs

Micro-finance interventions are well-recognized world over as an effective tool for poverty alleviation and improving socioeconomic status of rural poor. In India too, micro-finance is making headway in its effort for reducing poverty and empowering rural women.

Credit accessibility to poor through SHG's has been enhanced tremendously and the recovery has become comparatively higher.

Rural women play a significant role in the domestic and socio-economic life of the society and therefore, holistic national development is not possible without developing this segment of the society. The review of studies related to credit accessibility to women simply demonstrates that the direct access to institutional credit to rural women is very limited and suffers from the sex bias in extending it to them. However, women from the non-farm sector have better access to banks than the women working in the farm sector. Even, male members of women borrowers have greater influence on accessibility to credit utilization and its repayment.

The SHG's became a regular component of the Indian financial system since 1996. The SHG's are small, informal and homogenous groups. These groups have proved as cyclic agents of development in both the rural and urban areas. The SHG's after being formed started collecting a fixed amount of thrift from each member regularly. After accumulating a reasonable amount of resources, the group starts lending to its members for pretty consumption needs. If the bank is satisfied with the group in terms of (i) genuineness of demand for credit; (ii) credit handling capacity of the members; (iii) repayment behaviour within the
groups; and (iv) the accounting system and maintenance of the records, it
extends a term loan of smaller amount to the group.

Thus, financing through SHG’s effects quite a few benefits viz; (i) savings mobilized by the poor; (ii) access to the required amount of appropriate credit by the poor; (iii) meeting the demand and supply of credit structure and opening of new market for financing institutions; (iv) reduction in transaction cost for both lenders and borrowers; (v) tremendous improvement in recovery; (vi) heralding a new realization of subsidy-less and corruption-less credit; and (vii) remarkable empowerment of poor women.

The strengths of SHG’s may be categorized in the following manner:

- Group members usually create a common fund by contributing their small savings on a regular basis; groups manages pooled resources in a democratic way; considers loan requests; and loans are disbursed by purposes. The rates of interest vary from group to group higher than that of banks but lower than that of moneylenders.
- The average deposit and loan size of SHG account is larger than individual accounts under the priority sector, bank transaction of cost of dealing with SHG’s is obviously lower than that of individual borrowers; the rate of growth of credit absorption of SHG’s is much higher than individual borrowers under the priority sector.
- Banks can reduce the operating costs of forming and financing of SHG’s, involving NGO’s or youths for their forming and nurturing.
The innovative forms of financing is imperative to supplement credit strategies for meeting the needs of the poor by combining the flexibility, sensitivity and responsiveness of the informal credit system with the technical and administrative capabilities and financial resources of formal financial institutions and also to build material trust and confidence between bankers and the rural poor and to encourage banking in a segment of population that formal financial institutions usually find difficult to reach.

The entire process of internal savings and credit is backed by financial and management counseling, promotion of new avenues of employment and motivation for enhancement of earnings from the ongoing activities.

The groups develop their own management system and accountability for handling the resources generated. The interaction among the members in based on participatory mechanism is terms of decision-making.

Small savings of rural women can generate the required resources, which can wean the people away from the exploitation of moneylenders. Thus, the voluntary savings constitute the key for economic progress. Promotion of SHG’s can bring women into the mainstream of economic development.

Credit through SHG’s is being regarded more suitable by banks and NGO’s since creditability of SHG’s regarding utilization and recovery is praiseworthy.

Credit accessibility through SHG’s is cost effective and group approach can ensure wider coverage of poor families through bank credit, even the members of the group learn to interdisciplinary approach the banks adopt to deal.
• SHG’s can create a unique, alternative need based credit delivery mechanism by pooling their meager resources for catering to their consumption and production requirements.

SHG programmes should continue as a development intervention. Empowering women is only one objective of the SHG model, and others—such as increasing income, linking the poor to services—are also important to the well-being of marginalized women and their families. The introduction showed that the objective of empowerment is a process, with no definable end point. It is, therefore, not a contradiction to argue that SHG programmes empower women to varying degrees, while being limited in that same objective. The provision of credit and access to services through SHG programmes increase the choices available to women, thereby empowering them to some extent. However, this only empowers women within the prevailing system, and does not challenge the social structure in which marginalized women have relatively less ability to pursue their interests. While beneficial, this objective falls short of contemporary definitions of empowering processes, which acknowledge that constraints to pursuing interests are a product of the social structure in which they arise. An increase in capabilities within the prevailing system will not overcome the long-term disadvantages faced by marginal women.

This is not to say there are not models that can be drawn from to reshape the approach to SHG and empowering programmes so that constraints are more effectively dealt with—the claims model of Thorp et al. (2005) mentioned earlier is one of these. These models are generally built around networks of disadvantaged groups within society in which the primary aim is to remove the institutional causes of disadvantage,
while at the same time enabling individuals within these groups to gain access to resources through SHG programmes. The key is that the empowered woman or even the SHG is not responsible, but, rather, the NGO concerned plays a role in facilitating networks identifying key issues, and providing for and processes by which these constraints can be addressed.

SHG programmes, therefore, require a genuine commitment to bottom-up development, in addition to an acknowledgement of the limitations of this approach. Space to articulate is not enough. A concerted effort needs to be made to bestow the status of expert on the disempowered. This must then be backed by institutional change to allow articulation to translate into influence. It requires a change in who has the ability to define desirable social norms rather than merely a change in their orientation. Giving SHG members control over the empowerment discourse and SHG programmes would enable women to pursue their self-defined interests to greater effect—the objective of empowering interventions.

At the same time, constraints preventing the pursuit of interests extend beyond the development environment. The limited (though not negligible) ability of the disempowered to transform the broader society means that responsibility for all empowering actions cannot be relinquished to SHG members alone. Much of the existing research has tended to view the implementers of SHG programmes as disinterested bystanders, immune to the effect of social relations around them. This includes not only local relations, but the development industry itself. These two arenas have their own sets of norms, punishments and rewards for ‘appropriate’ behaviour. As seen, this has resulted in two outcomes:
top-down development interventions to appease donors; and nonconflictual programmes to enable social acceptance on a local level, and to appease the government. While the SHG model can be the site for the transformation of power relations, it is not sufficient in and of itself as an empowering mechanism. The failure to acknowledge the limitation of SHG programmes in this regard hinders the project to empower marginalized women in India. By implementing a standard ‘one size fits all’ approach, other strategies are silenced and cannot find funding. Additionally, by maintaining that SHG programmes successfully empower women, governments, the development industry and the elite are all seen to be taking action in what is popularly identified as an essential project. In this way, they are absolved of further responsibility, thus depoliticizing the empowerment project and helping maintain the status quo.

In this context the concept of Self Help Group has caught up with the momentum of women’s development. In fact women's Self-Help Groups (SHGs) have become a movement in India. It is considered as the most powerful means to strengthen the socio-economic development of women through integrated approach. It is treated as a platform to provide opportunity to its members for overall development through group efforts. There is an exhaustive list of goals to be achieved through self-help programmes such as saving habits, credit for consumption and productive purposes, opportunities for entrepreneurship, functional literacy, developing leadership qualities, gender sensitivity, and awareness about the socio-political economic and cultural issues to the extent of initiating development programmes by the women. Since it has so much of scope in the development process of the women from poverty
Although the ideas of self-help and mutual-help have been part and parcel of all human societies in every day life, they secured an ideological significance when community development was introduced in the newly independent countries after the Second World War. The United Nations took initiative to promote community development in the former colonies so as to deal with acute poverty, intense unemployment and other related issues. Although activities initiated under the community development programmes were state sponsored and centrally planned, the idea of self-help has been stressed through them with, economic assistance either with subsidy or grant component United Nations document on community development laid emphasis on the participation by the people themselves in efforts to improve their level of living with as much as possible on their own initiative and the provisions of technical and other services in ways which encourage initiative, self-help and mutual-help and make these more effective (UN 1971:2). Consequently the ideas of self-help and mutual-help have been an obsessive part of official discourse. Nevertheless they acquired an organizational form when the self-help groups in India and other group systems for financial services elsewhere in the world were introduced.

Under the micro-finance regime, the SHGs, known also as thrift and Credit Groups, are informal groups whose members' pool in some amount of their income as savings and from this savings, the money is lent to the members of the group on need or rotational basis. A Self-help Group (SHG) is a voluntary group of poor not exceeding 20 in number formed usually by an external agency to accomplish certain common
goals. Its members are expected to have similar social identity, heritage, caste or similar occupations in order to maintain its coherence and smooth functioning without much of conflict. It is based on the assumption that members would come together for a common cause and manage resources for the benefit of the group members. It is conceived that habit of regular savings (no matter how much small it is) is a way of developing and improving economic and social status of the poor. It is further assumed that a small amount of money pooled in by the group members can result in a large amount which can be availed by an individual as a credit to be used to become self-dependent and self-reliant. Once the saving habits are established among the poor, a small amount of loan can easily be available either from the amount the group has saved or from a Micro-Finance Institution (MFI) usually a NGO or from a commercial or cooperative bank in order to establish self-employment opportunities. It is believed that along with the inculcation of thrift and saving habits, members of the SHGs would use the SHGs as a forum for discussing their social and financial problems. The external agency that formed the SHG would also train the members to develop their skills in coordination, maintenance of accounts and decision making among the members. Therefore, an SHG is usually regarded to be a supportive, educational, change oriented mutual aid group that is formed for mutual assistance in satisfying a common need, seeking solution to problems or poor conditions shared by all members.

The NGOs, usually initiators or promoters of the SHGs perceive that the needs of the poor are not, or cannot be met by or through existing socio-economic institutions. The promoters of the SHGs argue that these SHGs not only deal with financial issues as a mechanism for social intermediation but also emotional and other needs of the members of the
groups. The SHGs function as affinity groups facilitating intense social interaction and group responsibility. The SHGs are therefore self-owned and peer-controlled groups at local level.

However, a bulk of the NGOs promoting the SHGs ultimately end up in practicing minimalist paradigm on SHGs with focus largely on providing and recovering the financial credit. They work on the premise that the group based approach, underpinning the SHGs, enable the poor to accumulate capital by way of small savings and also help them to have easy access to formal credit facilities which were never extended to the poor due to the absence of collateral to pledge.

According to Nanda (1995), many of SHGs got formed around a particular production activity, promoted thrift and savings among the members and put in use the pooled resources to meet the needs of the members including consumption needs. Internal savings made by the members are supplemented by resources from NGOs or banks. The credit to the members from the collective savings of the group, managed and administered by the members of the group is indicative of the possibility of group-managed banking services, although in a primitive way. When the NGOs and banks are convinced after a period of six to twelve months that the group members could handle savings and credit, the banks enter the scene as external financial mediator to extend the credit facilities to the SHGs. Through a series of pre-formation activities, the NGOs form the SHGs among the poor in villages or urban centres. These SHGs do not start with credit related activities. Rather they are initially organised or developed by the NGOs as saver groups with regular weekly, fortnightly or monthly saving targets. Each member of the group has to save some amount of money. In a meeting on an appointed time and day,
the amount to be saved is deposited by the members. The collected savings are lent to the members. The decision on who get the loan is taken by the members of the group collectively. The group also elects its office bearers such as President, Secretary and Treasurer.

The decisions made by the SHGs are generally recorded in the books. Some groups even provide individual pass-books to the members. Some groups pay interest on savings to the members while others pay dividends. However most of the SHGs have retained their profits as part of their accumulated capital. The SHG also opens an account in its name in a commercial bank and deposits any surplus fund left- After a period of six to twelve months the process of SHGs-Bank linkage begins. The bank where the SHGs have an account examines the performance of the individual SHGs and issues loans to the group. This group based financial service is very cost effective, simple and flexible and at the door step of the members.

PRADAN, an NGO involved in, among others, organising and promoting SHGs in different parts of India, provides guidance and support to rural women to organise themselves into SHGs. PRADAN considers the SHGs as a democratic institution owned and managed by its members generally women. It provides micro-finance services including savings and credit to the members. For PRADAN, micro-finance services associated with the SHGs are forerunner to other assistances it provides to the poor to enhance their livelihoods. According to Narendranath (2003: 72) "SHGs are also an effective interface for the poor to constructively deal with the external world; the village society, the panchayat, the banks and the government. The SHG is also forum for solidarity and empowerment of women, providing them the space and
voice to negotiate and participate as equals both within the family and in society in general. A SHG in the long run is expected to evolve as a socially and financially sustainable institution totally autonomous of PRADAN".

Narendranath (2003:72-80) identifies three roles played by the SHGs based on the experiences of PRADAN. According to him, the SHGs play these roles to promote mutual help among the members, facilitate members to have external financial intermediation in the form of linkages with financial and non-financial institutions and assist the members with programmes and activities to empower women.

The relevance of the SHGs lies in their usefulness to the members. As thrift and saving groups the SHGs are successful to a larger extent. Certainly the SHGs provide a scope for the individuals with low income to escape the clutches of the money lenders. Members are able to overcome money needs arising out of natural and social calamities and contingencies. As far as the question of empowerment is concerned there are issues and problems that require serious consideration.

As Mayoux observes, even in those financially successful microfinance programmes, woken are not necessarily the actual users of loans accessed in their names. Even where women use loans for their own economic activities, most women remain confined to a narrow range of 'female' low-income activities: Many women continue to have limited control over their own income and major household level decisions. Impact on households income may be limited. Loans or increases in women's income may merely substitute for former male household contributions enabling men to retain more of their earnings for their own use. Women's workload may be significantly increased as they have to
combine an unequal burden of reproductive tasks with production and attendance at group meetings. Women's expenditure decisions may continue to prioritize men and male children while daughters or daughters-in-law bear the brunt of unpaid domestic work. Where women actively press for change this may increase tensions in the households and domestic violence without adequate support; and micro-finance groups may have little impact on women's marginalization in local and national level political processes' (Mayoux 2003: xiii-xiv).

Therefore, to achieve empowerment and social development goals the scope and role of the SHGs need to be redefined keeping in account the structural as well as institutional constraints perpetuating poverty and social exclusion in India. The SHGs as people's organization with strong peer interaction and social capital could be turned into an effective participatory mechanism for social development. However, this requires a new model based on social development approach to both the SHGs and micro-finance.

Self-help groups have grown to be an effective organization that ensures the overall development of the community and village: a bank at home, a friend in emergency, a protector from money lenders, a landmark of communion, a workplace of enterprise development, and a platform of planning. These groups ensure the participation of people in the development process and promote savings habit among the backward section of the people and also fulfill the loan aspiration of these people. The self-help groups have become the focal point of the banks, national and state governments and the non governmental agencies. In the years to come, self-help groups could develop into an alternative scheme for the existing loan schemes.
The membership of SHGs has had a positive impact on the lives of the members in the sense that after joining the groups they are able to take decisions on economic issues. This level of empowerment helps the women members in a number of ways. Their self-confidence and self-esteem makes them confident and vocal. Their role as members of SHG is clearly seen in areas of health and education. Quantitatively these numbers may not sound to be very impressive but qualitatively they are helping in bringing a change. While the SHGs are the major thrust area of government and non-government agencies and there are reports that show their effectiveness in the field of rural development, but there are areas that need attention and constant work. Some of these are mentioned here.

6.2 Emerging Issues

As autonomous organizations the SHGs share the challenges and dynamics of other small organizations. For example, forming new groups requires significant energy, and the necessary group process (in addition to financial tasks) cannot be bypassed. Likewise, if an SHG is not able to maintain itself as a well-functioning group, the financial intermediation it performs will collapse. Government, donors, policy makers and resource-providers need to be aware of the dynamics involved in these small organizations. In their enthusiasm to promote and support a large number of SHGs and their anxiety to meet targets, they run the risk of turning these groups into 'state-helped groups', in the process destroying their very foundation of self-help and autonomy. This was also shared by number of groups in personal meetings and it was found that some groups were weak (nonfunctional and ineffective).
The main institutional challenges, which remain largely unanswered at present, are threefold (Kanitkar, 2002).

- How to support existing leaders and social entrepreneurs and nurture new ones: at least one million will be required.
- How to ensure that SHGs remain autonomous and are not captured by political and bureaucratic interests pursuing votes or targets. Will the emerging SHGs be any better at preventing this than previous structures, such as cooperatives?
- How to support the SHG system so that it can go beyond financial service and help in supporting the development of a large number of livelihoods among SHG members.

Some would argue this is inappropriate for such small organizations. But it is essential given the livelihoods India needs to generate, particularly for women,

The important aspects which need to be focused are as follows:

**Capacity Building**

To achieve outreach to one million self-help groups will require the participation of 25,000 bank branches, 4,000 NGOs, 2,000 self-help federations and about 100,000 personnel of NGOs and banks (NABARD, 1999). Developing training resources that meet these needs of banks would need more provision for micro finance operations on-site delivery, local language and idiom and communication under conditions of low-literacy. Literacy of members is an important factor as the educational level increases the awareness level and the exposure of women to the outside world.
Supervision and Regulation

In the small groups, where each member knows every other person well, savings do not appear to be in danger. But when savings are entrusted to an NGO or federation the need for regulation arises. The Reserve Bank of India should look into the supervision and regulation of the sector in the interests of millions of poor clients. A flexible and effective mechanism of supervision is needed which is not top-down, but at the same time produces sufficient quality information.

The Threat of Political Interference

A mass-based programme with the potential for expansion could attract political attention. While the programme has so far managed to avoid this, the challenge is to keep off attention that would reduce the programme to a vote-bank with all the attendant ills of favoured treatment, subsidies and so on.

Research

For a programme of this scale which is rapidly expanding there are hardly any authentic and scientific studies on the costs and benefits of the programme. The priority areas of research are:

- The social and economic impact on members of the self-help groups.
- Costs, margins and profits to banks in linkage banking.
- Roles, costs, benefits and sustainability of intermediate structures like federations.
- Inclusion of poorer people in the groups, equitable distribution of benefits among the members and the contribution of the groups
towards the social fabric of the community.

- The role of government in linkage banking. As self-help microcredit schemes are often lauded as one of the most effective mechanisms to reach the poor, measures must be taken to ensure that the poor are not excluded. These measures could include more careful targeting of the poor and vulnerable and incentives to mixed groups to ensure that the poor are not excluded. Literacy and numeric training has proven to be essential for the very poor to benefit from microcredit schemes. Similarly, training in legal literacy, rights and gender awareness are important complements to micro-credit for the empowerment of women.

The rural communities have risen to conquer the horizons of socio-economic progress bearing the lit candles of empowerment through the path shown by the self-help groups. Women have begun to come to the forefront from the backdoors to solve their life problems. Self-help groups have grown to be system wherein the women are taught to live in mutual understanding, faith, and strong determination. Moreover, they have taken the step to organize the unorganized women of the society and to fight for their rights. The new buds of empowerment, optimism, small savings and mutual understanding have begun to blossom in the villages of India.

The issue of empowerment of women is very complex. Issues related to women are varied and multidimensional. The demand for equality or equal rights with men and reservations for women in political institutions and jobs may help the situation but it will not be adequate. What is required is to see women's issues as a part of the broader issue of development. The basic question is that of adopting a model of
development which will ensure economic independence of women both within and outside the family, add to their economic prosperity, and their comprehensive welfare. The last fifty years of development in India have certainly increased the gross national income but the fruits of development have eluded certain sections, particularly women. A very small proportion of population, which was already dominant or privileged, has been benefited the most. The women of this middle or upper-middle class have gained upward mobility. Those women who have occupied higher position in society such as ministers in government, members of parliament and legislatures, administration, business and professions mostly belong to this urban, educated middle class. For a majority of women in lower social strata, both in rural and urban areas, the life conditions have remained largely unchanged. It is in this context that a mere provision of reservation for women in political institutions, education or jobs will not benefit the vast deprived, underprivileged women. It is more likely that the benefits of reservations, like reservations for other sections, will be cornered by the privileged women. It is for this reason that voices have been raised to reserve seats and jobs separately for the women belonging to the QBCs and other lower categories. One of the serious problems requiring immediate attention is of women, infant and child welfare. Some key issues having a bearing on women welfare are the male-dominated family structure in which major decision-making is in the hands of males, male-female relations in general society where institutional and cultural support is more often for the male, and the fast changing technology which also reinforces male superiority or domination in various spheres of life. Our development planners and policy makers seem to have given little attention to these aspects of development and change. There is reason to believe that while
making plans and policies for jobs and employment the female angle is given scant attention. Women are generally neglected. Though some benefits do accrue to middle class women in terms of more educational, health, jobs and professional advancements, the majority of rural and uneducated women are being deprived of even their traditional modes of occupations and employment in the wake of development. Therefore, serious attention and a fresh look are required to reorient our developmental model and policies so that economic development and women's development do not work at cross-purposes. Political reservations and provision of jobs for some middle class women are not sound methods for empowering women. A concerted attempt has to be made to evolve strategies for the economic independence and socio-political empowerment of the majority of poor, illiterate women, both in rural and urban areas.

It is the rural woman who needs employment, the most. The two reasons' for their empowerment are that rural women being in majority, their enlightenment and liberation are utmost important; and, that rural women are less powerful and subservient, compared to urban and suburban women. The voluntary organizations are such institutions which can play a positive intervention role in the empowerment of women.

The empowerment means women assuming power to direct their lives in order to contribute to development of themselves and of the nation. Not only the Indian societies in general, but the educational system as well as the recruiting systems, have a systematic bias against women.

The most desirable level of empowerment of rural woman would be to bestow power on them in all decision making and participating
activities, so that the women become the possessors and users of the fruits of their economic productivity.

The empowerment of women is a concept worth adopting and not confining it to the literature alone. The empowerment originates from possession of resources, the most important being the monetary resource.

The voluntary organizations are in a position to make empowerment a reality for women. The empowerment is realised in having control over one's body, possessions, and psychological assets, such as abilities, skills, aptitudes and inclinations.

Women in India are victims of a multiple socio-economic and cultural factors. Though women need to be empowered in all the areas it is economic independence, which is the most prominent means of empowerment. So, enhancing income-earning opportunities is increasingly viewed as an effective means for empowering women and improves their status. Thus, poverty reduction by way of income generating activities has become a significant strategic activity for any government or NGO working with women.

Women are assisted for income generation in a number of ways by NGOs. They are given financial assistance directly or facilitated by NGO functionaries. Many NGOs have special entrepreneurial development programmes under which they conduct training programmes to help women develop motivation and business skills.

The Government should provide legislative support and removal of restrictive legislation, needs to be done, if voluntary agencies can play such a role. Greater coordination and cooperation among NGOs is called
for to avoid duplication of services. Greater funding for net working among N.G.O.'s must be provided. This will ensure more efficient utilization of funds and greater coverage of programmes. Voluntary agencies must be increasingly involved in the provision of employment and supportive services for women.

The National Literacy Mission must involve women's organisations in a big way. The voluntary sector should increasingly be involved to act as a catalyst/intermediary in organising women for collective action. There is the need to document the success stories of major N.G.O.'s in India and learn from their success and failures. In order to ensure that the security and integrity of the nation are preserved, there is a need to adopt suitable policies to ensure that voluntary agencies abide by the rules governing the receipt and utilisation of foreign grants and submit audited accounts, returns and reports periodically.

Identity cards should be issued to workers of voluntary agencies who are dealing with cases of atrocities against women, as is already being done in some districts, to order to have sufficient infrastructure and facilities, there is need to montize more resources for voluntary agencies who are engaged in welfare arra development of women. There is a need to decentralise the planning process to stimulate local people's participation in planning, implementation, monitoring and evaluation of development projects. A suitable mechanism should be evolved to involve voluntary agencies and other people's institutions at various stages of developmental programmes/projects. Voluntary agencies should further ensure the participation of poor women in the development process.
A number of programmes implemented by conventional voluntary agencies have emphasized imparting skills to improve the efficiency of women as housewives and mothers, and or to improve their earning capacities. Voluntary agencies have, tended to neglect the participative potential of women in the development process as well as conscientizing women on their rights and roles. There is the need for such efforts that could increase the awareness of women and improve their participation as equal citizens in national development. Further, voluntary agencies should play a surveillance role and observe, explore and analyse the extent to which social legislations implemented for women have actually benefited them.

Empowerment of women cannot be ensured until they are enabled to organize themselves. Collective organizations spell strength. This is a prerequisite for initiating action, lobbying, pressurizing and bargaining. Grassroots organizations can greatly enhance the opportunities for poor women to participate in development programmes by providing an organizational base to operate from. By organising, working together, sharing experiences and resources, building pressure groups and so forth, women can find independent access to opportunities for their betterment.

Today women are in the need of various programmes to ease their development. These issues have to be tackled carefully. The policies today are increasing in number but their actual work has remained the same. Thus, the changes should be brought about so that the gap between the benefits and its beneficiaries is linked.

More and more women are able to develop through the programmes conducted by government, NGOs and by others. They are able to use their potentials and mould them in constructive way to obtain desirable
results. It will help them to develop confidence and become independent and thus become self-sufficient.

Thus, programmes and policies are the fundamental or basic steps which lead women towards development and improved status. Therefore, they should be supported and strengthened. The government should link-up and network with NGOs for more successful implementation of women's programmes and policies.

The involvement of academicians, researchers and women studies cells and centres would go a long way in making the so called programmes and policies-'A Dream come true'.

Inspite of programmes and policies these are the areas which need immediate attention:

Institutional mechanisms for advancement of women need to be improved and made more adequate in terms of:

Buildings

- Infrastructure
- Allocation of funds

- Persistent and institutionalized discrimination against girl child needs to be reduced.
- Gender-blindness in macro-economic policies needs to be addressed to.
- Women's contribution to the economy and environmental sustenance needs to be made visible.
- All the above points can be taken care of by having:
• Seminars, symposia workshops, conferences at national level.
• Rallies and protests at local level.
• Publicity and awareness regarding women's issues through healthy involvement of media.
• Use of folk and cultural media at local level to bring about awareness.
• Awareness to students at college and university level through exposure to courses like-
  • 'Women in changing India'
  • 'Women and Development'
• Media Appreciation of women's programmes.
• Gender sensitization of biased societal norms.
• Reducing of negative portrayals and perpetuation of gender stereotypes in mass media.

6.3 Limitations of the Programmes and Policies for Women

1. Women are not involved at all, at the planning stage of the programmes meant for the welfare, development and empowerment of women.
2. Most of the programmes that are planned for women have no relevance to the prevailing conditions, circumstances and existing time.
3. There is a general lack of basic resources and funds for buildings and infrastructure for any women's programme for implement.
4. The heterogeneity of women's mass according to age group, working group, caste etc. poses a great challenge.
5. The programmes for women generally lack supportive services as they are not planned for, in the beginning.

6. The incentives given are either very low quality or are less in quantity and numbers.

7. There is usually no or very poor effort to motivate women to participate in such programmes.

8. Again, there are very few women in these programmes in the implementation committees and working groups.

9. To make a bad situation worse, there is lack of co-ordination between all involved in such women specific programmes.

10. There is rigidity to change on the part of the beneficiaries of the programme.

11. There is inadequacy in terms of identifying and awaiting finance for women's programme.

12. Usually all government programmes have poor evaluation and supervision which also holds true about women's programmes.

13. Lastly there is no cropper, planned or systematic follow up of these programmes.

Thus, keeping all these limitations in view, some suggestions for future action have been planned.

6.4 Suggestions for Future Action and Improvement

1. All women's programmes need to be decentralized and more women need to be involved in these programmes, right from the grass-root levels to the top.

2. In women's programmes and policies there is a great need to involve women in
a. Planning and conception
b. Implementation and administration
c. Evaluation and follow up.

3. The official authorities, in women specific programmes should be female members instead of male to make it convenient for the women beneficiaries, to interact forcefully.

4. The involvement of media should be more rigorous and a major method instead of a supplementary resource, in these programmes.

5. We should involve more methods of traditional and cultural values such as
   a. Folk media
   b. Puppetry

6. The focus of the women's programmes should change according to changing
   a. Needs of beneficiaries
   b. Interest of beneficiaries, i.e., women
   c. Availability of resources
   d. Availability of time.

7. The women participants in these programmes should be given more desirable incentives.
   a. In jobs
   b. In cash or kind or some benefits.

8. The women's programmes can be run well with the help of identification of women leaders.

9. The women beneficiaries should be made aware about the relevance of the programmes for their
   a. Self development
b. Family welfare
c. Society at large

10. Follow-up and repetition of the programme needs to be taken up with all seriousness and adequacy.

6.5 Recommendations

- There is need to accept that women’s needs are not only for self-employment. The Programmes should be designed on the basis of the needs of women at the micro level. Planning for self-employment for women needs a multipronged strategy.

- The various categories for financial institutions in rural market have exhibited different potentials in serving rural women. There is need to synchronize their efforts so that their work becomes supplementary and complementary in serving women.

- Branch managers of financial institutions should in any case be close to the communities they serve, and should be alert for any distribution channel through which they can profitably reach new customers. They should be ensured of the existing level and types of group activity and informal intermediation, and be ready to offer savings and lending products which are appropriate for local communities.

- There is urgent need to streamline the procedure for applying, seeking and releasing of credit from the banks. The procedural difficulties are one of the major impediments, which have denied women the financial benefits of the banks. Therefore, the procedure for credit access to women should be made more easy and simple.

- In order to ensure proper utilization of the credit, there is an urgent need to introduce availability of consumption credit from the formal
channel. The need is to sensitize bank staff towards the needs, constraints and inhibitions of women.

- There is need to evolve new products by the banks commensurate with the requirement of rural women. The customer-contact-programmes especially for women should be organized to disseminate the information of various schemes and financial needs of women.

- Marketing of new distribution may involve training or community development skills. There is need to evolve training packages for entrepreneurship development to enable rural women as successful business managers and sustaining micro-enterprises. In this task, role of NGO’s, Panchayats, Women’s organizations etc. may be enhanced to impart training, skill development and technical knowledge.

- There is considerable scope for development of microfinance in India since there is enormous unmet demand for financial services in this sector. Therefore, enacting fresh legislation or appropriate amendments in the existing legislation related to Micro-financial institutions is needed.

- Micro-finance as a permitted activity for societies, NGO’s, and voluntary organizations may be ensured through amending the existing Indian Income Tax Act, 1956 [Section 2(5), Section 11(5)], Societies Registration Act, 1860, FCRA and RBI Act.

- The micro-financing institutions need proper regulation and operation of business transactions. Therefore, RBI, SIDBI, NABARD and other organizations should evolve proper mechanism for monitoring, supervision, direction, appraisal and evaluation of micro-financial institutions as well as self help promotion institutions.

- A proper mechanism should be evolved to prepare database on SHG’s, SHP’s, MFI’s etc. Moreover, MIS with good management backing
needs to be developed to achieve sustainability of micro-financing institutions.

- The factors responsible for poor performance of microfinance and functioning of SHG’s should be investigated, examined and analyzed scientifically and systematically to resolve the emerging problems, difficulties and challenges being faced.

- More research should be carried out to assess the impact of micro-credit through SHG’s. The impact assessment should be more focused on socio-economic empowerment of members, social change, dynamics of groups, business, leadership, promotion of viable micro enterprises etc.

- Social capability building programmes should be organized from time to time to train the NGO’s activists, volunteers, Panchayat representatives, members of youth clubs etc. to promote small savings and women’s active and positive role in development process, ensuring their rights, entitlements and due share in developmental benefits.

- Transformation of the repayment culture is required. Any expansion of micro-financial services will need not only appropriate and efficient micro products on a very large scale, but also customers who care willingly to pay the full costs of those services. Bankers must change their attitude towards small loans to poor people, including women, as a social obligation to treating them as potential business entrepreneurs.

- Policy makers need to recognize the potential of micro-financial services to support investment and growth in key economic sectors and hence to contribute significantly to national economic growth.

- Regulation of micro-financial services is necessary, which helps in long-term sustainability. The interests of small savers, ensuring proper
terms of credit, instilling financial discipline and having a proper reporting and supervision system should put in place. Regulation and supervision ensure that micro-financing organizations are run prudently and cases of poor people loosing their money due to fraud or incompetence are minimized.

- The key elements in the survival and sustainability of the SHG’s should naturally be built on those elements that have brought the group together. SHG’s have to evolve as sustainable village level institutions for taking active role in development and governance.

- A fully mature group is one that achieves competence to independently handle issues of its internal practices both financial and non-financial. The group should be able to handle its leadership, problem solving and conflict resolution successfully with minimal help. It should also be in a position to maintain its records and other books of accounts independently or through other arrangements.

- In addition to the institutional sustainability, the group should also become financially viable. Finance sustainability of the group is achieved when the group is able to cover its operational costs from its income.

- A stand-alone-group of poor rural women, stands a lesser chance of being effective than a confederacy of such groups. A confederacy would offer the strength of numbers and solidarity to each of its constitutes. A single stand alone group has limited visibility and importance for both the general community as well as development agency. There are certain areas where SHG’s need wider support, crisis resolution, marketing, networking, mobilization for effective action or social issue etc. Thus, networking of SHG’s into a federation is called for.
• Strong marketing network is called for effective and proper marketing of product and services of micro enterprises linked SHG’s. They need marketing support and institutional capacity to handle marketing activities independently.