CHAPTER - VI

FINDINGS, SUGGESTIONS AND CONCLUSION

6.1 INTRODUCTION

Women empowerment through SHGBLP is considered as an important component of successful and sustainable poverty alleviation program, and also an important and effective tool to empower women. Women’s empowerment requires fundamental change in the macro – level development as well as explicit support for women to challenge gender subordination at the micro – level. Increasing women’s access to bank linkage helps in business, education, social, economic and political empowerment. SHGBLP is promoted at the entry point and plays a significant part of a wider strategy for women’s business, education, economic, social and political empowerment. The study is focused on the poor women in the area of Perambalur district in Tamil Nadu.

The following are the important problems that were identified during the study and the suggestions to overcome those problems are also given for the better functioning of SHGs.

6.2 SUMMARY OF THE STUDY

The chapter summarizes the findings of the research work done on the women empowerment through SHG bank linkage program. This summary depicts the following findings, important suggestions and a brief conclusion of the research work. The results show the socio economic factors of members of SHG, their
achievement in business, educational, social, economic and political empowerment, problems faced by SHG members, bank contribution to empowerment and also overall benefits gained by women after joining SHGs.

6.3 SOCIO ECONOMIC PROFILE AND SHG ACTIVITIES

- The application of percentage analysis revealed that the maximum percentage of SHG members (39.8%) are found in the age group 31-40 years and it is followed by 25% of SHG members in the age group of 41-50 years, 23% in the age group of less than 30 years and minimum of 12.2% of SHG members belonging to the age group above 50. Among the total respondents, the maximum percentage of 58.4% of SHG members are qualified with school education, it is followed by 34.6% of SHG members being illiterate, 5.6% of SHG members are undergraduates and minimum of 1.4% of members belong to the post graduation category. The maximum percentage of 36.4% of SHG members are in the field of hand work, it is followed by 29.4% of SHG members belonging to agriculture and the minimum of 5.4% of SHG members are salaried employees.

- Regarding the Number of members in the groups, a majority of 46.8% SHG members have two children, it is followed by 24.6% of SHG members who have only one child, 22% of SHG members have more than two children and the minimum percentage of 6.6% of members have no children. A large No. of members to the extent of 77.2% of SHG members have one dependent, it is followed by 11.8% of SHG members having 2 dependents, 6.8% of members have no dependents and the minimum of 4.2% of SHG members
have more than 2 dependents. The analysis revealed that 35.6\% of the respondents do agricultural activity, it is followed by 27.8\% of SHG members are salaried employees, 26.8\% of members belonging to handwork activity group and 5.6\% of SHG members who are not doing any activity. About 67.4\% of SHG members have a debt of above Rs.10000, it is followed by 30\% of SHG members who have no debt and the minimum of 2.6\% of SHG members fall under the debt range of Rs.5000-10000.

Over a 60.4\% of SHG members get loan from the source of private borrowings, it is followed by 30\% of SHG members who did not get loan from any sources, 5\% of SHG members get loan from their relatives and the minimum of 4.6\% of SHG members alone get loan from the banks before joining the SHG. Vast majority of 44.2\% of SHG members got loan with interest rate ranging from 13\% - 25\%, it is followed by 30\% of SHG members who do not get loan anywhere, 20\% of SHG members get loan with above 25\% of the interest rate, and the minimum of 5.8\% of SHG members get loan with less than 12\% of interest rate before joining SHG. Majority of 23.4\% of SHG members invest loan amount in family expenses, 18.4\% of SHG members use it for construction of house or acquisition of land, 12.8\% of members used loan amount for education, 9.6\% of members use loan money for agricultural purpose and minimum of 5.8\% of members invest loan amount in business developmental activity. The maximum percentage of 31.6\% of SHG members repay above 76\% of loan, it is followed by 30.4\% of SHG members repay the loan in the range from 51\% - 75\%, and the minimum of 1.4\% of SHG members repay the loan amount of less than 25\%.
The maximum percentage of 35.8% of SHG members belong to agricultural by-product work, it is followed by 21.6% of SHG members are in the category of coolie and the minimum of 8.2% of SHG members are salaried employees. The maximum percentage of 39.2% of SHG members do not require amount for doing their business, it is followed by 25.8% of SHG members require amount from Rs.25000 - 50000 for their business, 16% of SHG members require an amount from Rs.51000 – 100000, 13.8% of SHG members need less than Rs.25000 for their business. 89.6% of SHG members run their business for more than five years, it is followed by 9.2% of members doing their business for less than five years and the minimum of 1.2% of SHG members do their business for less than two years. 61% of SHG members get medium level improvement in their business, it is followed by 37% of SHG members obtained high level of improvement in their business and the minimum of 2% of SHG members attained very high level improvement in their business.

The SHG members in Perambalur district strongly agree that their SHG enables them to meet their personal expenses and makes them independent and also teach them to co-ordinate, organize, balance and lead their team in business. The SHG members strongly agree that their SHG improves financial position and financial management skill of SHG members for the development of their business activity and increases their recognition in the society. In addition to the above SHG members also strongly agree that through the SHG the members’ confidence level has improved in business developmental activities, moreover their quality of life and recognition among
the neighbours also increased, in turn they motivate other women to join in SHG.

- They also strongly agree that on being a SHG member they are acquiring lot of skill, knowledge and are also able to handle situations with harmony which is the important characteristic to become an entrepreneur. Being in SHG the members are able to lead their business lives happily from the support and guidance from each other. SHG members in Perambalur district agree that their SHG makes them to conceive innovative credit program in order to run their business successfully and can give part time employment to their women also. The SHG members in Perambalur district strongly agree that, through the adult literacy program, they obtain minimum education ie, learn to write their name and put signature. These programs help those women to communicate well and do the business boldly and effectively. SHG members also strongly agree that their SHG brings them an awareness on female education, teaches them the importance of sanitation and environment and also members strongly agree that they realize the importance of education to empower themselves after joining SHG. In addition to that SHG members strongly agree with their SHG programs that stimulates them to discuss to attain educational empowerment and select the suitable business according to the economic condition through innovative ventures in the SHG activities.

- The SHG members strongly agree that their SHG develops educationally empowered women’s ability to do effective marketing of their product and allocate money for the education of their children. SHG members agree that
through the various educational activities the experiences have brought them a
development which has uplifted the group. Seeing such development on them
their neighbor acquires advice and solutions from their issues. SHG members
disagree that, they are able to help children in their education. The SHG
members in Perambalur district strongly agree that their SHG improves the
confidence level of members, develops their positive attitude towards life and
family and teaches them to adapt to new situation. The members of SHG also
strongly agree that they wish to participate in social awareness program, SHG
melas, stalls and SHG meetings help them to relax out of their stress through
their SHG programs.

- The SHG members of Perambalur district strongly agree that through their
  SHG members could take wise and practical decisions for the financial
  problems and SHGBLP aids them to move from inactive state to become
dynamic agents and work for their change. They are also promoted towards
alternative livelihood in rural areas through their SHGs. The members
strongly agree that, their SHG helps to educate their children and enable them
to decide on savings and expenses in turn to improve their economic status.
SHG members also strongly agree that SHG inculcates in them the habit of
saving. The members of SHG in perambalur district strongly agree that their
SHG aids them to achieve better in their business, and to improve
economically. By this achievement they are able to get more respect from
other members. They also strongly agree that their economic condition has
improved after getting loan through SHGBLP.
The members of SHG strongly agree that their SHG lifts individual’s economic conditions, financial positions and monthly income in terms of net asset and also SHG members strongly agree that their group need further assistance from banks also in future. They also strongly agree that their liability is heavier before joining SHG and could clear off their personal debt after joining in this group. Members agree that with the support of their SHG they envisage a tremendous growth of their business in a span of 3-5 years. The members of SHG in Perambalur district strongly agree that their SHG builds their influence within the family and also increase their courage level to control and deal with outside office work.

They agree that the SHG members come to know many politically influence people through the experience with SHGBLP. SHG members are disagreeing that, SHG experiences have made them to get introduced to many political personalities.

The SHG members in Perambalur district strongly agree that, the bank can simplify the repayment pattern, rate of interest for proper repayment, getting further loans and loan based on saving as it affects the saving ability of the groups. Further SHG members expect the banks to provide training and capacity building by the banks. They also strongly agree that micro enterprise can be promoted by the bank to uplift SHG women entrepreneurs and lending policy need to be focused by the bank. Moreover SHG members strongly agree that they need advice from the bank towards getting knowledge on legal regulations of SHGs. The members strongly agree that the bank can sanction
the subsidy loan on time and provide training and capacity building activities for the development of SHGs. SHG members in Perambalur district disagree that the SHGs are not given commercial importance and also giving credit based on saving policy of banks affect the SHGs internal lending.

The business achievement of SHGs in Perambalur district depends upon four predominant factors namely, Personality development, Entrepreneurial Skill Development, Business Development and Business Satisfaction level

- Personality of women is shaped and developed through SHGBLP. After joining SHG, women are equipped of holding harmony which is a demanding role of business personality and they arrange finance for the development of business, through which the confidence level of members has increased. This enables them to receive recognition from their neighbor who seeks advice from the SHG members. In the wholesome aspect it develops their personality with business.

- SHG members have gained more knowledge of business techniques to develop their business. They acquire greater skill viz. modern marketing techniques, interaction skill and fund management strategy for promoting the business in turn it raises their capacity to administer and organize the unit smoothly.

- In order to uplift the business SHG members always look for opportunity to improvise quality of work, seek new techniques, generate new ideas, develop plans and examine alternatives with the guidance of SHGBLP.
The best guidance of SHGBLP towards business is to make the members happy and teach them to act independently to meet their personal expenses to a greater extent, which paves way to a part time employment to other women also.

The educational empowerment of SHGs in Perambalur district depends upon four predominant factors namely, Educational realization, Literacy Development, Child education and Role of education.

SHG members realized that education is one of the most important means of empowering women with the knowledge, skill and self-confidence. They clearly understand that the educational achievements of women can have ripple effect within the family and across generations.

Education serves to empower women; this may be on the most basic level through SHG literacy programs. SHG members take educational activity themselves and make the group unique. Above all effective communication skill is obtained by the members through SHG literacy programs.

Women are more self-reliant and responsible in upgrading children’s educational status after joining the group. Now they independently take decision regarding these issues due to financial support from SHG.

Education empowers through innovative ventures in the SHG activities, and educationally empowered women can market their product effectively. In addition to that, education plays a vital role, not only in developing the
business, but also help them to select the suitable business for SHGs according to the economic condition.

**Social Empowerment**

Social Empowerment of SHGs in Perambalur district depends upon two predominant factors namely, Social Interaction and Optimistic Transformation.

- SHG members attend the group meeting regularly on the fixed day, time and venue where they can share their ideas clearly and freely, it ensures that the SHG functions transparently. They also attend social training programs, awareness programs and implement it in day to day life.

- Confidence in speech, independent thinking, clear analysis of problems and decision making are the essential qualities needed by women to realize the empowerment, it becomes possible only through innovative programs of SHGs. It enhances their courage level to face life in any circumstances, reduce, domestic violence and lift their social esteem from both within and outside the family.

**Economic Empowerment**

Economic Empowerment of SHGs in Perambalur district depends upon three predominant factors namely, Developmental Skill, Status upliftment and Surplus consciousness.

- SHG aids women to move from inactive state to dynamic agents and work for their own change and envisage a tremendous growth of their business in the
next three to five years, for which the group needs further assistance from banks in future also. They take wiser and practical decisions for the financial problems after getting SHG bank linkage and they achieve better in their business.

- SHG promotes alternative livelihood in rural areas and individual’s economic and financial positions in terms of net asset. SHG improves the members’ economic status and economic improvement of the individual member helps to command more respect from other members also. In addition to that their income level is showing an upward trend.

- SHG helps to educate the members’ children and also enables them to decide on saving and expenses, it also inculcates the habit of thrift among members which would clear off the personal debts. Hence the liability of the members after joining SHG is lower.

The SHG members from the age group of less than 30 years strongly agree for the educational empowerment and economic empowerment after joining SHGs. In the case of problems the SHG members in the age group 41 – 50 have more problems in the SHG activities. The SHG members qualified for UG degree strongly agree for the educational empowerment. Similarly the SHG members qualified for both PG and UG degrees strongly agree for the social empowerment after joining SHGs, in economic empowerment and political empowerment also the SHG members in the education group of PG degree strongly agree after joining SHGs. The SHG members’ those who possess technical knowledge in agriculture strongly agree for the business achievement also in educational empowerment and the SHG members who are
employees strongly agree for the educational empowerment. In the case of problems the SHG members from the group of hand work have more problems in the SHG activities.

- The SHG members who do business strongly agree for the business achievement, educational and economic empowerment. Also the SHG member employees strongly agree the educational and economic empowerment and also the SHG members not performing any activity are strongly agree for the political empowerment after joining SHGs. In the case of problems the SHG members from the agriculture activity have more problems in the SHG activities. The SHG members those who get loan from relatives strongly agree for the business achievement, similarly in economic empowerment also the SHG members borrowed loan from relatives strongly agree for the economic empowerment after joining SHGs, in educational empowerment and political empowerment. The SHG members who borrowed loan from private source strongly agree for the educational and political empowerment. In the case of problems the SHG members in the source of loan group of relatives have more problems in the SHG activities.

- The SHG members borrowed loan with interest rate of above 24% strongly agrees for the educational empowerment, the SHG members who obtain loan with rate of interest between 12% - 24% strongly agree for the educational, economic and political empowerment after joining SHG. In the case of problems, the SHG members who get loan with 12% - 24% of interest rate face more problems in the SHG activities. The SHG members those who
borrow loan for business purpose strongly agree for the business achievement and economic empowerment after joining SHG. In the case of problems the SHG members who obtained loan for the purpose of construction face many problems in the SHG activities.

- The SHG members who repaid the loan for less than 25% strongly agree for the business achievement, similarly in social empowerment and political empowerment also the SHG members who repaid the loan between 51% - 75% strongly agree for the social and political empowerment and in economic empowerment the SHG members repaid the loan of above 75% strongly agree for economic empowerment after joining SHG. The members having repayment of loan to the extent of less than 25% face many problems in the SHG activities.

- The SHG members who do business strongly agree for business achievement and economic empowerment, similarly in educational empowerment and social empowerment also the SHG members who are employees strongly agree for educational and social empowerment, and in political empowerment the SHG members who are working as coolie also strongly agree for political empowerment after joining SHG. In the case of problems the SHG members who are doing business face many problems in the SHG activities.

- The SHG members requiring an investment amount for their business between Rs. 51000 – 100000 strongly agree for the business achievement and political empowerment, in educational empowerment the SHG members invest amount for their business of above 100000 strongly agree for educational
empowerment. In economic empowerment the SHG members require an amount of ‘less than 25000’ strongly agree for economic empowerment after joining SHG. In the case of problems, the SHG members who require an amount of Rs. 51000 – 100000 face more problems in the SHG activities.

- SHG members do business for more than 5 years face many problems. The SHG members who showed very high improvement through their business strongly agree for business achievement, similarly the SHG members who attained very high improvement in their business strongly agree for educational empowerment, economic empowerment and political empowerment after joining SHG. The SHG members at high level of business transactions also face many problems in the SHG activities.

It is found that 36% SHG members are ‘prospective members’ and they have strong agreements for social empowerment, economic empowerment and political empowerment.

- It is inferred that 8.6% of SHG members are ‘mechanical members’ and they moderately agree for achievement in business, educational empowerment, social empowerment, economic empowerment and political empowerment.

- It is found that 55.4% of SHG members are ‘Achievers’ and they have strong agreements for business achievement and educational empowerment.

- 17.6% of SHG members are ‘Culminated members’ and they strongly agree for procedural problems. 51.4% of members are ‘Developmental seekers’ and they moderately agree for the problems of SHG members and 31% of SHG
members are ‘Solution seekers’ and they disagree for problems faced by SHG members.

- There is an association between education and prospects of SHG members; it is found that 90.7% of mechanical members are qualified from school education.

- There is an association between Technical knowledge and prospects of SHG members. It is found that 46.5% of mechanical members are found to be hand workers, 36.1% of achievers are found to be agriculturalists.

- There is an association between indebted and prospects of SHG members. It is found that 75% of achievers are indebted before joining SHG, 64.4% of prospective members are found to be indebted before joining SHG.

- There is an association between sources of loan and prospects of SHG members. It is found that 65% of achievers received loan from private sources, 44.2% of mechanical members received loan from any sources and 5% prospective members received loan from relatives.

- There is an association between rate of interest and prospects of SHG members. It is found that 49% of prospective members received loan with 12%-24% of interest rate, 23% of mechanical members received loan with less than 12% rate of interest.
There is an association between Nature of business and prospects of SHG members. It is found that 46.5% of mechanical members are found to be Agriculturalists.

There is an association between Cost of business and prospects of SHG members. It is found that 51.2% of mechanical members do business with an amount ranging between Rs.25000 and Rs.50000.

There is an association between improvement of business and prospects of SHG members. It is found that 36.1% of achievers attain high improvement in their business.

There is an association between problems of SHG members and Age group, Technical knowledge, Activity, Indebtness, Sources of loan, rate of interest, purpose of loan, repayment of loan, nature of business, amount of business, period of business and improvement of business of SHG members.

It is found that 53.4% of culminated members are distributed in the age group of 31 – 40 years.

It is found that 58% of culminated members are experienced with agriculture, 83% of them are found to be indebted before joining SHG, 48.9% of them get loan with 12% - 24% of interest rate, 48.9% of culminated members repaid above 76% of loan, 47.7% of them are agriculturist, 22.7% of culminated members run their business with a cost of Rs.25000 – Rs.50000 and 80.7% of culminated members do their business with medium improvement.
- It is found 31.6% of solution seekers were doing handwork, over 61.4% of them receive loan from private source and through which 28.4% of them meet their family expenses.

- It is found that 91.8% of development seekers fall in the group of doing business for more than 5 years.

Influence of problems on prospects of empowerment of SHG members:

- Procedural problems of SHG women with bank loan affects their capability of handling situation with harmony and their confidence gets decreased and they arrange finance for the development of business. The procedural problems of the loan disbursement of banks do not affect the personality development of SHG members. Lack of importance of the loan disbursement of banks affect getting new opportunities, quality of work, seek new techniques, generate new ideas, develop plans and examine alternatives with the guidance of SHGBLP

- The delayed disbursement and lack of importance of the loan disbursement of banks affect the best guidance of SHGBLP towards business, make the members happy and teach them to act independently to meet their personal expenses to a greater extent. SHG members realize that education is one of the most important means of empowering women with the knowledge, skill and self – confidence and also clearly understand that the educational achievements of women can have ripple effect within the family and across generations but, they could not reach and execute it because of lack of importance of the loan disbursement of banks. SHG members in Perambalur
district are not educationally flourished because of lack of basic level literacy programs for them to develop their communication skills.

- Delayed disbursement of the loan affect SHG womens’ self-reliant and responsibility in upgrading children’s education. They could not independently take decision regarding these issues due to delayed financial support from SHG. Delayed financial support and lack of importance of loan disbursement of banks affect SHG members’ innovative ventures and marketing activity and select their suitable business though they are educationally empowered. The essential qualities needed by women to realize the empowerment like Confidence in speech, independent thinking, clear analysis of problems and decision making are affected by lack of loan disbursement of banks. They are not able to take timely decisions and arrange finance for business because of procedural problems of loan disbursement. They get affected in seeking financial assistance from the bank for the growth of their business for the coming years due to lack of importance of loan disbursement of bank.

- The SHG members feel difficult to improve their monthly income level and improvise their economic condition because of delayed disbursement of loan and lack of importance shown on them. Lack of importance of loan disbursement of banks affects the SHG members’ ability to solve their personal debt and manage their childrens’ educational expenses.
6.4 **SUGGESTIONS**

1. The legal procedures followed by the bank can be liberalized, so that SHGs would not suffer financially. As the procedures are tedious the members who go for loan get locked which affects the overall empowerment. Bank could also provide the knowledge about legal procedures to the SHG members.

2. Suggestion from experts and practical training can be provided to make their SHG activities to turn into a profitable one.

3. Members must be made to be skillful to balance their family and business successfully.

4. All the members should be mutually helpful and responsible for everyone’s empowerment through their activities.

5. Bank can provide adequate amount of loan to members for expansion of business if they are credit worthy.

6. The NGO staff should update the government rules and regulations of the schemes to the members which help them for their successful running of business.

7. In region where NGO’s lack the government can establish Self Help Promoting Institution to support the SHGs.

8. Banks can be made independent in evaluating the SHGs in conducting business. The subsidies amount can be utilized for various purposes like infrastructure, training and any other requirements of the poor.
9. Entrepreneurship development program should be made undergone by the economically assisted groups so that they get adequate knowledge to run a business.

10. The financial assistance by banks are not pertained only for starting the business but should also continue in all needy times to conduct the business.

11. Government can provide opportunities by preferring the goods and services made by these SHGs to its departments which also guide them in marketing and sales.

12. The financiers should be made understood through various means to treat women with dignity and respect. This can be achieved through repeated gender sensitization programs.

13. The SHG basically manufactures goods under conventional process methods and also produce only conventional goods. They can be trained to look on for more new opportunities and techniques for which their level of knowledge in technology should be improved.

14. Banks can simplify the repayment pattern in the rate of interest for proper repayment.

15. SHG members should compulsorily see to that they utilize the funds availed for productive purposes and not for personal uses.

6.5 CONCLUSION

The role of women in the society has been improved. Gone are the days where women were mere home makers or employees under someone. Days have become
that the role of women is inevitable in the country’s economic development. Such sunshine was given to women by the concept of Self Help Groups. Another facet of women was brought out by these SHGs, the entrepreneurship within them. The concept of SHG has touched each and every level of women irrespective of geographical areas, economic status, education level, income level etc, Hence the study travelled to find out whether the SHGs have brought empowerment among the members through Bank linkage program in Perambalur district.

After joining SHG and through bank linkage program the women members have empowered in various ways. It has changed their life to a greater extent by making them very independent. They are able to balance their life and business. It has brought a very big recognition to them and have become a good decision maker. When it comes for individuals being a member it has brought confidence, courage, skill and knowledge to handle the business.

Majority of women have taken this opportunity in a right way and have settled their financial problems and have improved economically by doing some sort of business. It is understood from the study that the SHG through Bank Linkage Program have brought adequate empowerment to its members in Perambalur district. Though there are certain limitations like bank legal procedures, production of conventional goods, poor marketing system, lack of training and technical knowledge yet the women members of the SHG in Perambalur district have empowered themselves, their family and society.
6.6 SCOPE FOR FURTHER STUDY

The study is an attempt to examine the empowerment of women through SHGBLP in Perambalur District of Tamil Nadu. In the course of this study, various aspects like achievement in business, educational empowerment, social empowerment, economic empowerment and political empowerment, problems faced by SHG members and bank contribution to empowerment of women were given due dimension. The area of the study is a wider one and gives sufficient range for further research topics, which are outlined here under,

- Role of government institution could be evaluated with well developed criteria, in terms of their cost effectiveness.
- Re-defined role of commercial banks with respect to welfare of women in the liberalized era.
- Role of NGOs in women’s empowerment.
- Impact of industrial development and challenges of open market competition faced by SHG women in rural areas.
- The different training methods of different agencies can be studied and new ways of training can be suggested.
- The possibility of bringing the small Self Help Groups into the main industrial sector adapting wide network strategy.
- Exclusive study of microcredit extended by public sector banks through Self Help Groups.