CHAPTER - VI
CONCLUSION

The study was undertaken for the women empowerment through SHGs in the Thiruvallur. It is found that the income of the women has been increased after joining the SHGs. So that the monthly household expenditure also has been raised considerable level. But the savings is increasing at slow rate, because the incremental expenditure is higher. Mostly they are spending for present consumption. The members should change it.

The good practice of the women SHGs in the study area is repayment of the loan in time. Nearly 64% of the debtor paid their monthly due with in the time, even some members 19% paid their due in advance. A few members do not pay in time but this is not affecting the further credit of SHGs. Since the repayment of loan is regular and within the time, we may conclude that the economic activities of SHGs are quite success. In this way SHGs in north Tamil Nadu are very successful to develop women empowerment and rural areas.

Self help holds great potential for real changes because it focuses on those directly affected by disadvantage and discrimination. Self help is when these people gain power over their lives--over information, resources and decisions.
The challenge for the self help movement comes from those who would use self help for their own purposes, to control and limit the ability of groups to change this balance of power.

Individuals facing oppression join together and work collectively to overcome their disadvantage. In the same way, groups of disadvantaged people join together to meet this challenge.

The individual testing interviews were conducted and done with urban women and rural women. Social Status of the members of Self Help Groups Religion wise Distribution is seen and that the sample consists of Hindu women, Muslim women, Christian and others.

It is seen that members were from ST/SC category, from backward class, from other backwards, from nomadic tribes Adivasi, and 11.76% others. The sample contained women from forward class as well as backward class. No groups belonging to any particular minority community was found. All the groups were mixed. Members from minority community. Similarly some groups also had members who were sex workers. The nomadic tribes have not formed any SHG, Therefore we could not get any SHG from this particular class.

It was observed that members were married, some were widows and the remaining members were reported to be deserted by their husbands, members were literate and also members were illiterate, Some
had primary education, some had studied up to middle school, some studied up to higher education, and some up to degree.

Working as agricultural labour were housewives doing jobs somewhere having own business – some working as a labour in construction Company or elsewhere.

The important posts referred here are co-ordinator, president etc. in case of institutes. In case of Self Help Groups, president, secretary and treasurer are considered as important posts. In Gram Panchayats, president and members of committees like Education Committee, etc., Cleanliness committee can be called as important posts.

From the analysis, it was observed that, members held important posts in institutes, some held important posts in the Self Help Groups and some held In Gram Panchayats

Some are working as a labour in farm, some are working as a labour in company, some have own land some are doing jobs in company

Some of the families are women headed, In some families both of them collectively run the home, others run the home – i.e. in laws.

Though much was being discussed about atrocities on women, according to the women interviewed it was not much of a problem. This may be because in a closed small village, the proportion of such atrocities
may be less due to social restrictions. In some places, there was some degree of instances of beating by the drunkard husbands. The real question was whether the victims perceived it as a problem or not. For them, water, roads and health were more important issues.

The women should try to change the condition of women in the society. More than 40% of the Self Help Groups feel that the women should pay attention to the development of their village. Very few members feel that they should stop corruption by entering politics. The SHG system reflects this independence and diversity. It allows people to save and borrow according to their own timetable, not as the bank requires. Self Help Groups can also play a part in a whole range of social, commercial or other activities.

Various programmes have been and are being implemented in the post-independence era for woman’s progress. The woman is being emancipated as a result of these programmes. Though the pace of this development is slow, there are definite signs of changes in the society.

In these efforts, Self Help Groups play an important role. Self Help Groups are now recognised as a powerful means of social development. Though present study of the Self Help Groups carried the following recommendations have come to fore, which if implemented, would enable the Self Help Groups to become more useful. There is no doubt
that some institutions are already implementing many of these suggestions; but it is felt that there is a need to hasten the process of social empowerment.

If it is desired to accomplish social changes through Self Help Groups, the NGOs and Government agencies should consider SHG as a miniature society and execute the development programme.

Decisions related to rules, regulation of Self Help Groups and rate of interest for loan are made by the groups. But in few groups the institutes make these type of decisions.

As the groups make these decisions all the members approve them. Many times loan is distributed as per need of the members. Sometimes it is distributed equally among the members. There is regularity in repayment of the loan. The percentage for charging penalty if a member is late in repayment of loan is low.

The members convince those, who have not repaid the loans and ask them to repay. They try to grasp the reasons of not repaying the installments.

It can be said the process of social, cultural exchange has started through the Self Help Groups. Majority of the member conveyed that by joining Self Help Groups, they have started to come together. Though,
this was a general perception, some of them said that there is not much of affinity amongst members of different religions.

Almost all the members helped each other at the time of any difficulty. Most of the times they helped each other when the other member was having any economic need, medical problem. Very few members helped other women, who were facing atrocities by their relatives.

The process of coming together has started. The people from village have few resources for fulfilling their needs. So they always help each other. The women from one lane come together to form one SHG. They know each another’s problems. So they help each other in solving problems like monetary needs, if anybody is ill. But very few of them try to solve the problems such as atrocities faced by the women, because there is still an apprehension in their mind that how they could interface in other people’s private lives. This aloofness pervades not only towns but villages also.

There is a big difference in the response for feeling sense of satisfaction. It seems individuals are more expressive than the members in the groups. Therefore there is a big gap in their responses. It can be said that even though they have not directly responded to this option, they
want to express the sense feeling of satisfaction, happiness, by responding the other options also.

Few members of the groups are feeling that their status in the family & society is improving. It is observed that they do not have feeling that women are treated unfairly. In some cases it was seen that the respondents were not able to understand the meaning of ‘taking them into confidence’. Some feel that merely informing decisions is taking them into confidence.

Their problems are related to basic needs, unavailability of money, employment, scarcity of water etc. They have not come about all these things. So they do not have need for self esteem, self respect.

It is observed that the first reaction towards the saved money, is feeling of satisfaction. Before they have not seen, saved money in their balance sheet.

For fulfilling their basic needs, it is necessary to take loan from the moneylender at the rate of 5 to 7%. They lend the money, repay some amount – again there is some genuine real need – again they lend money. It is a vicious circle. It is very difficult for them to come above from it. But it has become possible for them due to the SHG. So they are satisfied and feel secured by having some money in their hand.
Majority of the SHG members have not purchased any thing for them. They have used money, when there is a genuine need in their family. Some members have purchased saris or jewellery for themselves. Very few percent members have used money for the household business.

Majority of the members feel that they participate in the major decisions of the family. Some SHG members are allowed to participate in family decisions, after joining the Self Help Groups, It shows that their status in the family is improving. But this cannot be said as a universal experience. Almost all the members participate in the society. Some of the SHG members have started participating in the public functions after joining the SHG activity.

SHG members have conducted programmes independently. Leadership qualities like initiative, decision – making, working together, cooperation, confidence are developing, members are feeling that their daughters should be a degree holder. This shows that attitude towards girls education is traditional. It has started changing slowly. Self Help Groups feel that daughters should work as a teacher.

Percentage of positive responses for doing job in bank, government services are very low. Now there appears awareness regarding the need of female education or working or serving by women outside the house. However in rural region, as the basic needs of food and employment have
not been fully solved, the awareness is not so acute. Even if one is convinced about the necessity of educating the girls to make them self-sufficient, it is thought difficult to bear the expenses.

Many of the respondents were farm labourers and hence, it was opined that more the number of children, more earning hands are available.

There are very few women who think that the next generation girls should have education, even if they could not get it.

Multifold activities of Self Help Groups have paved the way for improving village economy. Creating avenues for skill development, including leadership qualities and enabling economic independence are major functions.

The total sample of the institutes (who have promoted Self Help Groups) of Thiruvallur districts of the state of Tamil Nadu. Out of them 11.88% were governmental institutes and 88.12% were NGOs.

The institutions sponsoring NGOs arrange health camps; conduct lecture series on subjects like balanced diet etc. Everywhere women participated in large numbers in Grama Sutham Campaigns (Village Cleanliness Campaigns). The villages received awards for the success of the drive.
The Self Help Groups have become the tool for institutionalizing convergence between various welfare departments. Majority of the members themselves decide to vote to a particular candidate or a party.

Almost all of the members feel that the women should enter politics. Women or Self Help Groups are vehicles for social and political action as well as for financial intermediation. It was observed during interviews in the villages that the basic needs of the rural people were not being fulfilled, and hence fulfilling those basic needs had assumed importance. Amongst those, the issue of fetching drinking water was at the topmost level.

Self Help Groups have knowledge of Government schemes. But very few of them have made use of their knowledge collectively. Only some individuals and some of the groups said that they had submitted memorandum to Gram Panchayat or the concerned person for solving their problem.

Under the scheme of the Government, the Self Help Groups have built up sanitary blocks in their village, with the help of NGO’s backing the women stopped the sale of liquor.

Self Help Groups gave opportunity to participate in several training camps. The level of general knowledge increased. It is also told that
participation in SHG made them aware of ISI mark of commodities while purchasing them.

SHG sponsored by NGO told that after becoming members of the SHG, they were getting due respect in social functions also.

The SHG gave them a feeling of bliss. Many told that they travelled outside their village for some outing for the first time, because of the SHG.

The objectives of the institutes, behind promoting Self Help Groups institutes thrust on social development, give importance to improve economic condition try to organize the women. Few institutes have objective of developing local leadership to facilitate the development of the village.

**About the loans & grants**

The institutes do not have to pursue for the amount that is to be invested per month, institutes said that the members paid themselves the amount per month regularly, have to pursue for the amount to be invested, some have not taken grants by the Government and some have taken grants.

According to the heads of the institutes women take loan for business, e.g. seeds; tools for agriculture etc, take loan for homely needs, take loan for medical treatment and for educational needs.
Structure of SHG

Almost all Self Help Groups meet once in a month. Institutes work to promote Self Help Groups from the same village, promote Self Help Groups from various families.

Influence of institute on the Self Help Groups

Institutes take participation of women in deciding rules and regulations for the functioning of Self Help Groups, members of Self Help Groups have represented in the activities of their institutes, they made efforts in bringing about social changes, they learnt new things is the observation done by one of the head of the institute. They made efforts to improve health, work on social problems, arrange programmes like lectures, workshops to grab information about legal aspects, health related issues, literacy etc. and institutes work for overall development.

Political influence on SHG

Institutes said that there is no evidence of groupism among the SHG members, agreed that the members of Self Help Groups have used the SHG as a tool to enter in the politics, the members have formed new Self Help Groups independently, members participated in the activities of the institute.

Very few heads of the institutes said that they had to face political interference at the time of election.
Women have health problems and some are illiterates. They have problem of unemployment. The institute has promoted 150 Self Help Groups and has formed one credit society. That credit society gives loan to the members.

The institutes have conducted workshops to make aware the women about health issues, legal aspects, workshops for how to use inorganic fertilizers, guidance for business, 

They arranged women’s day programmes like get-together training programmes, exhibitions of the products made by the SHG members, literacy classes has been conducted

Institutes involved the women in solving problems by the way of agitation.

The study is being undertaken to find out the women empowerment through Self Help Groups in the Thiruvallur. It is found that the income of the women has been increased after joining the Self Help Groups. So that the monthly household expenditure also has been raised considerable level. But the savings is increasing at slow rate, because the incremental expenditure is higher. Mostly they are spending for present consumption. The members should change it. The good practice of the women Self Help Groups in the study area is repayment of the loan in time. Nearly 64% of the debtor paid their monthly due within
the time, even some members 19% paid their due in advance. A few members do not pay in time but this is not affecting the further credit of Self Help Groups. Since the repayment of loan is regular and within the time, we may conclude that the economic activities of Self Help Groups are quite successful. In this way Self Help Groups in north Tamil Nadu are very successful to develop women empowerment and rural areas.

Among the women micro entrepreneurs under study, 44% of the respondents were studied up between 10th Standard of school education to 12th standard and Degree and more informative which helped them to active part in the process of micro enterprises. Interestingly 56 % of the women are illiterate and studied up to 5th standard and picked up lot of skill and other information thanks to the SHGs

Some of the respondents obtained Group loan and others (33 %) were received as individual loan for their economic activities. But it is also observed that majority of the groups were obtained group loan under SGSY, but they have divided among the women member equally and doing micro enterprises separately and not coming under the groups economic activities but individual economic activities.

It is very clear from the study that the loan size of the individual micro entrepreneurs very according to their economic activities identified and repayment capacity. The maximum loan size as per the study is
between Rs.10, 000 to 15,000, followed by the 17 percentage of the loan size is Rs. 15,001- 20,000/- Further it was observed from the data and during the interview that nearly 75 percentage of the respondent expressed that they have obtained loan based on the group concept (Group Loan but individual Activities) and the same loan has been divided equally by the each member in the groups. And they are doing their economic activity independently. Accordingly they have pooled together their repayment amount and regular repayment is made by the groups.

It is pertinent to note that the repayment are impressive and nearly 75 per cent of the respondents have repaid almost 75 percentage of the loan obtained for the economic activities. Further it is deduced from the study that except 2 respondents studied all are active in the repayment process within the stipulated repayment period. And most interestingly some respondents have already cleared their loan repayment within the time and expecting for the additional loan. From the study it is understood that the defaulter rate is 2%.

It is clear to note that the majorities of the respondents have their loan outstanding only below the Rs. 10,000/-. And they are sincere to ensure regular repayment as per the bank direction and agreement made upon it in the beginning. Further it is deduced from the study that 4
respondents have to repay maximum of their loan obtained. These 4 respondents may be considered as high risk groups since they very poor repayment culture. The group’s members also have taken initiatives to pressurize these members to the proper repayment in time.

Majority (47 %) of the respondents expressed that they are taking all decision on all important matters “jointly” (she and her husband). Interestingly, 26 % of the respondent boldly agreed that they “themselves” are playing greater and independent role in decision making in all important matters related to their family affair. But interestingly the role of husband in the process of decision making are degreasing trend as against earlier. This is positive trend in the process of empowering women through income generation through SGSY.

As observed from the above table, 58% respondents have improved their quality of life “to some extend” after becoming micro enterprises compared to the earlier period. And impressively 35 percentages of the respondents have improved their quality of life “Satisfactory” level after becoming micro entrepreneurs and generating considerable income in their life.

The promotion of the Self Help Groups and micro enterprises under SGSY has made 55% of the respondents insured for their life which highly positive changes noticed in this study thanks to the SGSY.
Also rests of them are planning to do their insurance in the near future. Moreover, among the insured respondents, most of them are coming under the group insurance and remaining comes under the individuals insurance.

The overall understanding of the data indicates that the respondents have developed various skill quite impressively after became SHGs members and micro entrepreneurs as a result of participating various meeting and activities related to the SHG and Micro enterprises. Most of the participants (63 %) are good in problems solving skill and equal percentage of the respondent have developed Confidence Building and percentage of the respondents have development skill on Accounting, and 74% and 52 % of the participants have in social interaction and Involvement of social activities respectively.

The promotion of the Self Help Groups under SGSY has brought a lot of positive changes in the minds of the spouse and parents of the respondents. In this study, impressively 81 % of the respondent’s spouse and parents are encouraging towards their active participation in the SHG’s activities and in the process of income generation under micro enterprises.

48% of the respondents have expressed that they have no problems in their micro enterprises. And other 87% of the participants are facing
various problems which are described in the table no.27 in details. Among the various problems faced by the participants, 15% of the respondents are suffered from the “Non availability of the raw materials. It is also observed during the data collection with the micro entrepreneurs that some of the respondent are reluctant to express on their problems in front of the official and NGOs.

Majority (41%) of the respondents are marketing their product and services in the local market or local sources. And 22 % of the respondents are extending their marketing networks at the district level. Moreover, considerable amount of the respondents are having their marketing network at the state and national level to broaden their market sources. But interestingly, 5% of the respondents are having national and international marketing network for their credit.

As observed from the study and the multiple responses indicates that the most of the respondents are required training for capacity and skill development in the areas of marking and accounting to improve their micro enterprises in more remunerative ways.

Self help holds great potential for real changes because it focuses on those directly affected by disadvantage and discrimination. Self help is when these people gain power over their lives--over information, resources and decisions.
The challenge for the self help movement comes from those who would use self help for their own purposes, to control and limit the ability of groups to change this balance of power.

Individuals facing oppression join together and work collectively to overcome their disadvantage. In the same way, groups of disadvantaged people join together to meet this challenge.

The goal of social mobilization is to raise the status of the poor in a society through building for self-awareness, self development and self-realisation.

1. Though the movement of Self Help Groups is now about 20 years old. It is observed that every third year one of the earlier Self Help Groups get closed down and a new one is established. Some members of the earlier SHG join the new SHG, and the other discontinue. That is why it can be said that the process of women’s empowerment is started; but the pace is very slow.

1. The movement of Self Help Groups is primarily aimed at elevating the status of economically weaker sections of the society. The main and prime requirement of women and their families is to fulfill their financial needs. Undertaking experiments to create new employment opportunities becomes difficult because of factors such as lack of farm equipments, scarcity of water etc. Even if new
products are produced, their marketing is problematic. Thus ‘economic’ problems are overriding all other problems. The rural people have to obtain loans to meet their day-to-day needs. The moneylenders charge exorbitant rates of interests on the loans. The movement of Self Help Groups provided answers to these problems, though on a small scale. The movement, therefore, took roots. It is, of course, obvious that Self Help Groups cannot provide complete succor to the financial problems of the rural people.

2. However, there are many good results of the movement, such as:
   a. The women have started coming together to think about their problems on a scale larger than before.
   b. At some places women have begun to consider solving their problems united.
   c. The women have acquiring courage to stand before the society.
   d. Their confidence level is obviously increasing.
   e. They are acquiring knowledge of day-to-day worldly affairs.
   f. Their decision-making ability is on increase.
g. The woman has acquired somewhat elevated status in her family.

h. Women have started to come out of their homes to take part in social activities.

i. There occurs great participation of the women in political activities where there is a woman sarpanch.

j. The women, however, desire that the Self Help Groups should continue.

With these good results certain things are there, which are not yet achieved. They are

a. The women still believe the same traditional thinking on issues of dowry, inter-caste marriage, female education etc.,

b. Many women have bad habits of chewing tobacco.

c. It is however observed that there is no sufficient awareness regarding women’s problems.

d. Women’s issues are equated with problems regarding roads, electricity, water and health etc.,

e. The efforts to solve the problems are going on, but not on big scale.
It is observed that some bad elements have crept in this movement. If the institutions and their co-ordinators remain vigilant, the bad elements can be kept in check.

During the past four years, Tamil Nadu has been in the forefront in the country in the implementation of various rural development programmes. Further, several path-breaking initiatives and system improvements have been brought about in the Rural Development and Panchayat Raj Department with regard to Schemes, Panchayat Raj and Establishment matters. As stated before, the Supreme Court of India itself has commended the implementation of MGNREGS in Tamil Nadu and has exhorted other States in the country to follow the Tamil Nadu model. Three districts of Tamil Nadu won MGNREGS awards at the National level for 2007-08 and two districts for 2008-09. Under MPLAD Scheme, Tamil Nadu stands first at All India level in the cumulative utilization of funds (at 97.14% utilisation since 1993).

Under Total Sanitation Campaign, 1,966 Village Panchayats of Tamil Nadu won Nirmal Gram Puraskar Awards for the 3 years from 2006-07 to 2008-09. The implementation of innovative Statefunded Schemes like AGAMT, Samathuvapuram, Namakk Ku Naame Thittam and Panchayat Union School Renovation Programme have come in for high praise from all quarters. Thanks to AGAMT, Tamil Nadu will have the
distinction of being the only State in the country to have a Library and a Sports Centre in each and every Village Panchayat by 2011.

The Veetu Vasathi Thittam is the latest path-breaking scheme of Tamil Nadu which aims at replacing all the huts in rural Tamil Nadu over a period of 6 years, and Tamil Nadu is poised to become the first “hut-free” State of the Country by 2016. This Government has taken a number of new initiatives to streamline the functioning of the Panchayat Raj System. These include the tabling of an Annual Report on the state of Panchayats in Tamil Nadu; abolition of Jamabandhi which had become redundant; reconstitution of Appointment Committee of Panchayat Unions; enhancement of penalties to enable the Village Panchayats to strictly enforce the provisions of Tamil Nadu Panchayats Act, 1994; significantly increased devolution of SFC grants to Panchayat Raj Institutions and streamlining the release of funds; pooling of Assigned Revenues at the State level and releasing a part of it to the PRIs as grant and utilising the remaining part for funding special projects; provision of telephones and computers to all Village Panchayats; provision of vehicles to all Panchayat Union Chairpersons; enhancing the Fixed Travelling Allowance for PRI representatives; issuing Identity Cards to the heads of PRIs; designating November 1st of every year as “Local Bodies Day”; institution of the Uthamar Gandhi Village Panchayat
Award for the best-performing Village Panchayats; institution of Corporate Social Responsibility Awards; and the constitution of Fourth State Finance Commission well in advance. The Government has also taken a number of measures in the past four years to strengthen and streamline the administrative machinery of the Rural Development and Panchayat Raj Department.

Restructuring of the District Rural Development Agencies; upgradation of all posts of Extension Officers to Deputy Block Development Officers; strengthening of the Engineering Wing of the Department at all levels; creation of a large number of administrative posts at all levels to improve the quality of implementation and monitoring of schemes; bringing the Makkal Nala Paniyalars and Panchayat Assistants into time scale of pay; timely recruitments and promotions of all categories of staff; prompt replacement of condemned vehicles with new vehicles for BDOs, Assistant Directors, Assistant Executive Engineers and Executive Engineers and sanction of new vehicles to all Principals of RIRDS and Additional Directors of Rural Development are some of the key reforms undertaken by Government in Establishment matters. The SHG movement has been reoriented to bring the poorest of the poor into the SHG movement such as MGNREGS women workers in the rural areas and slum dwellers in the urban areas. Due to the significantly enhanced allocations for RF subsidy, the waiting
time to avail of the Revolving Fund, which used to be about 6 months - 4 years from the date of passing the first credit rating, has now been reduced to almost zero.

The Government is actively promoting the Panchayat level federations (PLFs) of Self Help Groups, which represent the next stage in the evolution of the SHG movement, by restructuring the PLFs to make them more inclusive, transparent and participative; and by encouraging them to take up economic activities on a bigger scale than what an individual Self Help Groups can do and also the role of financial intermediaries between banks and Self Help Groups. The institution of awards to best performing Self Help Groups, PLFs and Bankers has helped promote healthy competition among these institutions, and has thrown up role models for others to emulate.

The World Bank-assisted Vazhndhu Kaattuvom Project has been highly successful in empowering the very poor, vulnerable, differently-abled and tribals by including them in decision making processes; creating well-governed community institutions like VPRCs, Self Help Groups, PLFs and CPLTCs and also a cadre of para professionals like CPs, CSTs, Book keepers, CDFs etc., thereby developing social capital within the community; providing employment through job-oriented skill training to a large number of rural youth by successfully bridging the
information gap between industries and unemployed rural youth; and increasing the income of rural households through livelihood promotion activities. Successive Missions of the World Bank have highly commended the performance of the Project, which encouraged us to submit a proposal to the World bank for Additional Financing for 50 Blocks through the Government of India.

The implementation of ADB-funded TEAP has been completed on 31.10.2009. Self Help Groups, differently abled persons and fishermen have benefited immensely from the livelihood interventions under the project. Under the Government of India-funded RGRP, about 20,989 houses are being reconstructed at a cost of about Rs.565 crores and basic amenities are being provided at a cost of about Rs.150 crores. 83% of the works have been physically completed while the percentage of expenditure to the total allocation is 80%. Under the World Bank-assisted ETRP-VRCC project, about 15,056 vulnerable houses have been taken up. Tenders have been called for all in all cases, and the works are likely to commence shortly. When we set out in May 2006, The Government was faced with immense challenges including a massive backlog of incomplete works; a large number of vacancies in all cadres; major Schemes like the MGNREGS, Vazhndhu Kaattuvom, TEAP, RGRP and ETRP being virtually non-starters; and so on. Through painstaking effort
and unflinching devotion, we succeeded not only in overcoming all these challenges but went on to win encomiums for the excellent implementation of all rural development programmes - Externally-aided, Centrally-sponsored and State-funded. The quality of our work in AGAMT, MGNREGS, women's Self Help Groups, Vazhndhu Kaattuvom Tamil Nadu was "in the forefront in the country in rural development". While looking back in satisfaction over all that has been achieved in the past four years, we are conscious of the fact that rural transformation and poverty alleviation are a continuous endeavour.

It should be noted though that the sustainability of Self Help Groups to effect such change is directly linked to their financial sustainability. While this latter issue was not the intended focus on the report, any external intervention to Self Help Groups should bear this issue in mind. Thus, it is vitally important that both government and NGOs work to bear all the costs in mind of interventions to make them sustainable otherwise the Self Help Groups will be overburdened and destined to failure. Government regulations could help manage this risk and increase the emphasis on sustainability of Self Help Groups.

There are key areas of SHG financial management that need to be improved such as internal controls, accounting, management stewardship, organizational efficiency and others. If the government were to enact
policy that would regulate the quality of Self Help Groups and tied this to their eligibility for SHG Bank Linkage, then this would help bring about a more measured and responsible growth to the movement

**Findings**

The entry point of the group has by and large been the desire for thrift and credit leading to the elimination of the concentrated middlemen channel and the usurious moneylender in all the groups where agricultural sustainability acted as the entry point of the groups.

A unique feature of the groups has been the practice of Group Reserve Fund, Group Monetary Cost, Group Maintenance Cost and Sustainability Cost among groups in Tamil Nadu.

Special savings scheme for specific purposes like education, festival was followed in groups run by RASS and JAGRUTI in addition to the normal savings scheme. Savings contribution averaged around Rs. 30 per member per month in all the groups except in Tamil Nadu, where the savings contribution was on a nominal basis subject to a minimum of Rs. 30 per member per month. The groups run by NGOs have been saving relatively less than the groups run by Government.

Rate of interest charged varied widely across the groups. It ranged from 3-5 per cent from Rs. 100 per month per member to Rs. 1.50 per cent per month. Lower interest rate was charged for educational and
medical purposes, while higher interest rate was charged for business and unproductive and consumption expenditure loans. Internal loan was mainly for production purposes.

The transaction cost per account on SUG (second and subsequent loans) over the IRDP loans showed a marked reduction in all the groups. This was due to increased savings rate, size of groups, regularity in conduct of meetings, higher share of loans for production purposes and homogeneity among group members.

Lack of effective leadership, inadequate involvement of capable and mainstream NGOs, a higher share of consumption and unproductive loan pattern, inadequate seed money assistance resulted in the poor performance of the groups.

Training input was more exhaustive in the groups run in Thiruvallur. Direct marketing channels was being observed in all the groups. Marketing still remains an inherent weakness in almost all the groups. Not much backward and forward linkages have been established. This arrangement needs strengthening.

In quite a few groups, lesser Net Incremental Income (NII) than the Debt Service Liability (DSL) as observed was an alarming trend requiring early action to improving the financial strength of the groups members. Employment elasticity increased from 0.35 in the pre-linkage phase to
0.82 in the post-linkage phase. This clearly demonstrated the multiplier effect of the programme in terms of employment generation. Employment generation was 245 person days per annum after the linkage was established.

The participation of women in Self Help Groups made a significant impact on their social and economic empowerment. The women members were able to increase the income level manifold and contribute to the development of their family. In the process, many women members expressed that they were participating in the financial decision of the family. The group dynamism helped the women to pressurize the authorities in laying roads, providing electric connections, drainage, making the teachers stay in the village itself, construction of bore-wells and community halls. Women were coming out into the open to discuss problems confronting them, which could not have been possible in the absence of such group initiatives.

The federal structure of Self Help Groups provided effective support to the groups in several ways, viz., coordination, monitoring, linkage with the banks, providing other linkage supports, etc. The federations were used to mobilize excess savings available with certain groups so that the same could be distributed to other groups. Common issues and operational problems were sorted out at the federations. The
issue that arises mainly relates to such a federal structure and the specific role assigned to it (financial or non-financial or both). NGOs recognize these federations as a process of their withdrawal strategy and expect these federations to undertake the role of NGO in the future.

In the final analysis, the possibility that the NGO and the government sectors will actually work together appears to require at the very beginning the ability of both to overcome their fear and mistrust of each other. They must realize that neither governments, nor civil society, nor markets possess the knowledge or the ability to accomplish on their own such a huge, multifaceted task as socioeconomic development’ Rather each sector has something to offer. Only through a conscious decision to overcome their parochialism in favour of joining forces will it be possible for the various actors to begin to address in a new way not only the symptoms, but the causes, of the problems that continue to hinder the achievement of sustainable livelihoods for the rural poor.

Surmounting the misgivings is, of course, not easily accomplished, nor all the learning processes that will allow both NGOs and GOs to engage in fruitful relationship. Yet movement towards NGO-GO interaction has been observed and the limited availability of official funds and governmental personnel for implementing rural development interventions means that there will remain a role for NGOs to play.
Critical collaboration holds great promise. It is not a quick-fix to the shortcomings of current approaches to rural development; and, efforts to make collaboration a wide ranging part of the policy process will take a great deal of effort. However, if sincere efforts are made to create a truly responsive approach, critical collaboration may become more than yet another fleeting trend and, instead, contribute to rural improvements in the lives of the rural poor in India.

All these lead to conclude that NGOs can play an important catalytic role. As long as government poverty alleviation efforts are characterized by the top-down implementation, NGO efforts will help to take account of local realities, local needs and constraints. However, despite the shakiness of the empirical foundations on which any assessment of comparative advantage must rest, it is concluded on the basis of the findings arrived at in the study, that NGOs can do a great deal to innovate, to complement and in places to supplement, governmental effort, but in terms of sheer scale of the effort necessary, they will not be able to supplant it.

**Suggestions**

a) Training camps for the women in the Self Help Groups on various topics such as, how to handle the financial matters should be organized.
b) Now there is a growing participation of women in the political activities in the rural area. In such situation, there is a growing need to develop leadership qualities in the women. Also, they should be educated on how their participation could be made useful to achieve some concrete results.

c) There is a need to impart training in entrepreneurship and marketing.

d) Training may be given on how various government schemes should successfully be implemented to achieve the objective of rural development.

e) Training camps on issues concerning health and legal matters should be organized.

f) There is a need to organize literacy camps, also.

Though NGOs and Government agencies are doing their bit, they should lay more emphasis on these activities.

1. If these institutions are to carry out above suggestions, they themselves would need guidance. The NCW may initiate preparation of syllabi on various topics for the purpose.

2. It is noticed that Self Help Groups are created; they function for a period and then become defunct. Also, Self Help Groups function so long as they receive Government grants and then become
dysfunctional. This has to be checked. Steps can be initiated by NCW to stem the rot.

3. The Self Help Groups are multiplying numerically. It has, therefore, become difficult to monitor their functioning. If numerical growth of Self Help Groups is inevitable, then a scheme of capacity building of some selected Self Help Groups should be devised and implemented.

4. For this to be achieved, it would be beneficial to give certain targets to the institutions. Also it would be worthwhile to organize some events like competitions amongst the institutions to fulfil the targets. A module of such activities could be spurred to be prepared by NCW.

5. Social emancipation could be coupled with the women’s economic development. For achieving this, the co-ordinators of the institutions would have to be provided an insight of the process of how social development of the women could be accomplished along with their economic development.

6. The type of the vocational trainings provided at present by the Government institutions to the members of the Self Help Groups is not able to provide employment to them on a large scale. Some other measures are needed to be taken to generate employment avenues in the rural area at the village level.