CHAPTER VII
SUMMARY, MAJOR FINDINGS, CONCLUSION AND POLICY IMPLICATIONS

7.1: Introduction

A brief summary, major findings, conclusion and relevant policy implication of the study are presented in the current chapter. Scope for further research is also provided at the end of the chapter.

7.2: The Title of the Study

Microfinance Institutions and Inclusive Growth of Scheduled Caste and Scheduled Tribe Women Entrepreneurs in Tamil Nadu.

7.3: Summary

Entrepreneur’s development is sine qua non for economic development of the country. It has been a popular subject since World War II. After the war, the countries of rich and poor realised the importance of entrepreneurs in ‘Nation building’. The economist, classical, neo classical including modern educated have accepted that entrepreneurial activity remove poverty, unemployment, ignorance and under development. Recently the Government has given importance to entrepreneurs development through development programmes including women entrepreneurs. As the commercial bank does not meet out the financial requirement of poor, microfinance institutions have emerged as a powerful tool to elevate poverty from poor women through entrepreneurial activities.
Women constituted 60 per cent of the workforce and earn 10 per cent of the world income (2001). The Mexico conference (1975) recognised women’s role in eliminating inequality among male and female and rich and poor. The Nirobi conference (1985) stressed the need for expatriate microfinance institutions to them. Now, the women constitute 90 per cent of the microfinance beneficiaries in the world.

Before independence, microfinance concept was weak as the money lenders, middle man and pawn brokers were providing financial assistance to the poor women in the villages. The Government’s intervention through nationalised commercial banks (1969) emphasised the need for lending to the poor and women groups.

Poor households and small entrepreneurs still face difficulties in approaching bank services. Inclusive growth of under previllage and downtrodden community was the major objective of Indian Third five year plan. Microfinance is an economic approach introduced to benefit the low income women at large. It provides financial service to the self employed and self managed microenterprise. Microfinance institutions are acting as a developmental bank for affiliating the poor women and scheduled caste and scheduled tribe women entrepreneurs to the villages.

As per the study conducted by Basu (2004), only five per cent needy people had access to finance. It is still worst in the case of SC and ST women entrepreneurs. This present study links financial accessibility and inclusive
growth of excluded community (SC and ST) to the main stream economy through microfinance institutions.

In order to analyse the role played by the microfinance institutions to uplift SC and ST community from poverty, the following objectives have been framed.

1. To trace out the women entrepreneurial programmes launched in India as well as in Tamil Nadu since independence;
2. To study the socio–economic conditions of the SC and ST women entrepreneurs in the study area;
3. To reveal the perception of loan utilisation and inclusive growth of the respondents through microfinance institutions;
4. To explore the utilisation of loan amount, benefits accrued and problems faced by the selected women entrepreneurs and
5. To suggest suitable policy measures for inclusive growth of SC and ST women entrepreneurs through easy access to micro finance.

To test the validity of the objectives, the following hypotheses were framed.

i. There is an association between annual income and the loan amount accessed by the SC and ST women entrepreneurs;
ii. There is no significant difference between the SC and ST women entrepreneurs before and after training and
iii. There is no relationship between the annual income and annual savings of SC and ST women entrepreneurs.
The study was analytical in nature. It was conducted in six districts in Tamil Nadu namely, Nilgiris, Tiruvannamalai, Villupuram, Vellore, Salem and Dindigul. Both primary and secondary data were collected for analysis and interpretation. However, the study was mainly relayed on primary data. Interview schedule was used to collect primary data. Random sampling method was used to select the districts. Non-random sampling and snow ball method were used to select the sample respondents from the selected districts. The districts were selected on the basis of concentration of SC and ST population. 100 respondents from each district were selected for data collection. Thus, 600 was the sample size. The collected data were analysed with the help of simple statistical tools such as percentage, correlation, Chi-square and F-test. The primary data were collected during year 2014 – 2015. Non co-operation from microfinance institutions to supply the beneficiaries and poor response from microfinance institutions about supplying beneficiaries list were the some of the problems faced by the researcher in the field. Hence, generalisation from the findings of the study should be made with caution.

7.4: Major Findings

7.4.1: Socio–Economic Profile of the SC and ST Women Entrepreneurs

92 per cent of the respondents in the selected districts were young and productive age group (21 years to 50 years). Only eight per cent of the selected sample respondents age were found between 51 – 60 years. Thus, age is not an issue to become an entrepreneur. As such both young and old age SC and ST women are engaged in entrepreneurial activity.
Although the government is making number of efforts to convert 100 per cent literacy rate in the country, however, one – fifth of the sample respondents were found as illiterate and only four per cent of the respondents attended upto college level education. A majority of the respondents (75 per cent) have received school level education namely primary, middle and secondary education.

96 per cent of the respondents were following Hindu religion and the rest were Christians. No Muslim was found in the sample.

Although the study was conducted on financial accessibility of SC and ST women entrepreneurs through microfinance institutions, a majority of the beneficiaries (89 per cent) were found from SC community and hardly 11 per cent of them were found in ST community. The ST communities were found less in business, trade and service activity. However, all the selected entrepreneurs were able to access the microfinance institutions (MFIs) for their entrepreneurial activity. Interestingly, all respondents have received financial assistance from microfinance institutions directly. The study found that the penetration of MFIs financial assistance was weak among the ST community, particularly respondents living in Nilgiris district.

91 per cent of the respondents were found married. The remaining were found as either unmarried and widow. A majority of widows were found in business, trade and service and manufacturing activities. On the one hand, the entrepreneurial activity had helped better standard of living for the married women but it also helped the livelihood of the widows and unmarried
respondents as well. One of the important inferences of the study was that the entrepreneurial activity helped the widows and unmarried women to live in a dignified life in the society

79 per cent of the respondents lived in a nuclear family and the remaining have adopted joint family system. Even in the modern world one–fifth of the respondents engaged in manufacturing, business, trade and service activity and agro–based activities lived with joint family system. It is strange to note that a majority of the selected entrepreneurs are holding a nuclear family than joint family.

A large number (76 per cent) of the respondents have adopted medium size family, consist of 4 – 6 members. One–fifth of the respondents has small family size (1-3 members). One–fourth of the respondents in agro–based entrepreneurs follow small family norms. Four per cent of the respondents have large family size (more than seven members).

Nearly half of the respondents are living in pucca house. Similar proportions of the respondents are living in tiled house. Besides seven per cent of the respondents are living in hut and thatched houses. Among the sample respondents, 49 per cent of the respondents involved in business, trade and service and manufacturing entrepreneurs lived in pucca house, where as 46 per cent of the respondents from agro-based activity lived in tiled houses and 10 per cent of the agro-based entrepreneurs lived in huts or thatched houses.
70 per cent of the family members depend on the respondents income. Thus, the respondents are the role breadwinner of the family. Nonetheless, 44 per cent of the manufacturing entrepreneurs family members go for work and add family income. Similarly, 31 per cent of the agro–based entrepreneurs family members also go to work and substitute family income. More respondents household dependent family members are found in business, trade and service (76 per cent).

7.4.2: Income and Expenditure Pattern of the Respondents

The respondent’s annual income ranged between of Rs. 12,000/- to 1,25,000/-. The study found that 10 per cent of the respondents have lived in absolute poverty and 34 per cent of the respondents have crossed the poverty line. More than 82 per cent of the respondents earned Rs. 50,000/- to Rs. 125000/-. This means that lives of these people are comfortable and a majority (90 per cent) lived above poverty line due to entrepreneurial activity.

One-fourth of the respondents in agro-based activity earned less Rs. 25,000/- and lived in poverty and 98 per cent of the respondents in business, trade and service activity lived above poverty line. It is inferred from the study that the agro–based and manufacturing entrepreneurs earned lesser than the business, trade and service entrepreneurs. The attributing reasons for earning more income by the business, trade and service entrepreneurs are (i) the entrepreneurs are young; (ii) they are better educated; (iii) invested more (iv) they are married (v) living in a nuclear family and doing their business sincerely. Hence, 82 per cent of business, trade and service respondents earned
highest amount of Rs. 50,000/- to Rs. 125000/- per year. Thus, tested hypothesis proved that there is an association between annual income and the loan amount accessed by the SC and ST women entrepreneurs.

The study found that 47 per cent of the respondent’s income goes to food consumption alone and another 15 per cent respondent’s income is allocated for education purpose. About one–fifth of the respondents expenditure goes to family function purpose. A majority of the manufacturing and agro-based entrepreneurs spent half of their income on food items alone. Interestingly, the expenditure on medicine, maintenance and entertainment were found in the range of five to eight per cent. However, respondents spent money lavishly on family functions.

7.4.3: Impact of Microfinance on the Livelihood Development of Women Entrepreneurs

There are 18 Microfinance Institutions (MFIs), operating in the select districts of Tamil Nadu namely, Dindigul, Nilgiris, Salem, Tiruvannamalai, Vellore and Villupuram. The 18 MFIs are Gramavidiyal, Spandana, Equitas, Smile, Ujjivan, Future Financial Service Limited (FFSL), Mahasemam, Hand in Hand Belstar (HIH), Janasakthi, Dhanalakshmi, Asirvad, Madura Micro Finance Limited (MMFL), Growing Oppurtunity, Gramasakthi, Samastha, L&T, Share and Bullockcart Workers Development Association Finance Limited (BWDA). Of the 18 microfinance institutions, Gramavidiyal, Spandana, Equitas, Smile and Ujjivan played a major role in the financial inclusiveness role of SC and ST women entrepreneurs than other microfinance
institutions. Interestingly a large number of microfinance institutions were operating in Dindigul (22 per cent) and Villupuram districts (19 per cent) followed by Vellore district (17 per cent), Salem and Tiruvannamalai (each with 15 per cent) and Nilgiris (12 per cent). Nilgiris, being in the hilly area less number of MFIs were found in this district. Hence, it is found from the study that the SC and ST women respondents residing in Dindigul, Villupuram, Vellore, Tiruvannmalai and Salem were covered under more financial inclusiveness than respondents living in Nilgiris. Thus, least MFIs are operating in Nilgiris. Being a hilly area and remoteness only five MFIs have extended financial accessibility to the ST women residing in Nilgiris district.

Among the MFIs the Gramavidiyal is popular in all districts except Salem district thus reaching large number of women entrepreneurs. Spandana is playing major role in four selected districts except Nilgiris and Salem. The Equitas is playing dominating role in Dindigul, Nilgiris, Vellore and Villupuram except Salem and Tiruvannmalai. The Smile concentrates its activity in Dindigul, Nilgiris, Tiruvannamalai and Villupuram except Salem and Vellore. Ujjivan is so popular in Nilgiris, Salem and Villupuram than Dindigul and Vellore.

The study found that the selected women entrepreneurs have started the enterprise activity after liberalisation (96 per cent). The remaining respondents (four per cent) were in the field since 1981. However, liberalisation, privitisation and globalisation have helped the SC and ST women to enter in to different entrepreneurial activity. A boost in the emergence of SC and ST
women entrepreneurs was noticed since 1991. The post liberalisation period poised witness for the emergence of 96 per cent of the respondents entered into the entrepreneurial activity. The liberalisation, privatisation and globalisation have helped the SC has ST women entrepreneurs to enter into the entrepreneurial activities.

The study found that 81 per cent of the entrepreneurs are first generation entrepreneurs. The remaining are second generation entrepreneurs. About one-fifth of respondents are doing the enterprise activity traditionally as family business. Interestingly 51 per cent of the respondents did not have any previous experience in any kind of entrepreneurial activities. 98 per cent of the entrepreneurs were found sole proprietorship. Almost all respondents, except agro-based were found as first generation entrepreneurs, whereas 39 per cent of the agro-based entrepreneurs were second generation entrepreneurs. 50 per cent of the entrepreneurs had previous experience in their trade.

There are various factors motivated the women entrepreneurs to start the entrepreneurial activity namely, motivation by friends, family members, relatives, Government through schemes, NGOs and self motivation. Of this variable, the self motivation tops the list in motivating the SC and ST women to become an entrepreneur. Interestingly relatives’ advice has influenced 21 per cent of the respondents to become a entrepreneurs. Among the entrepreneurial activity, self motivations have influenced 77 per cent of the respondents involved in agro–based activity to emerge as an entrepreneur.
The study found that a majority (81 per cent) of the women entrepreneurs did not attend any training programmes due to lack of awareness. Only a small proportion (19 per cent) of the manufacturing, business, trade and service activities and agro–based entrepreneurs attended some training on their trade. The F-test shows that there is a significant difference exists between training attended and not attended by any training among the SC and ST women entrepreneurs.

As the women are marginalised group and weaker sections the investment pattern starts from Rs. 1000/- to the maximum of Rs. 100000/-. The study found that 73 per cent of the respondents have invested to the maximum of Rs. 30,000/- in their entrepreneurial activity. Further, the study found that only seven per cent of the respondents have invested more than Rs. 50,000/- to Rs. 100,000/-. Among the entrepreneurial activities a majority of the respondents from agro–based and manufacturing (86 and 76 per cent respectively) have invested least amount (less than Rs. 30000/-) in their entrepreneurial activity. One-third of the respondents belongs to business, trade and service have invested more than Rs. 30000/- to Rs. 100000/- in their entrepreneurial activity.

The study found that more than two–third of the respondents are running their enterprises in their own building. Only a few of the respondents have their enterprise activity in rented or hired building either from Government or private. Interestingly, 18 per cent of the respondents did not own any building at all and these groups were called as street vendors. 29 per cent of street
vendors were found from business, trade and service activity. A majority of the respondents from agro-based (90 per cent) and manufacturing (80 per cent) activity are running their business on their own building.

The study found that a large number (65 per cent) of women entrepreneurs located their entrepreneurial activity in rural areas. Hardly 35 per cent of the respondents are running their entrepreneurial activity in urban areas. The study further found that almost all respondents in agro–based activity (92 per cent) have located their entrepreneurial activity in rural areas, whereas more than half of the respondents in business, trade and service activity have located their entrepreneurial activity in urban areas.

With respect to time spent on their entrepreneurial activity, the study found that a majority (63 per cent) of the respondents spent 4 hours to 8 hours per day. 32 per cent of the respondents have spent 8 hours–12 hours in their entrepreneurial activity. A large number of respondents from business, trade and service entrepreneurs spent maximum hours in their entrepreneurial activity.

Respondents have identified the following reasons for entering into entrepreneurial activity. They are (i) to earn more income; (ii) out of interest or passion and (iii) for self employment. Interestingly, 78 per cent of the respondents entered into enterprise activity for earning more income. The interest or passion constitute least. A large number of respondents involved in agro – based and business, trade and service entrepreneurs have entered the entrepreneurial activity in order to earn more income and wealth. About one-
third of manufacturing entrepreneurs involved in this occupation for self employment purpose.

Since the women entrepreneurs had hardly invested Rs. 100000/- in their enterprise activity, 95 per cent of the respondents have not registered their enterprise in Government office. However, the study found that 66 per cent of the respondents have taken insurance coverage for their enterprise. A large number of respondents from business, trade and service and manufacturing 72 per cent and respectively have registered their units with the insurance companies like Life Insurance Corporation and National Insurance Company.

The study found that 97 per cent of the women entrepreneurs are members of the SHGs. The remaining three per cent of the respondents did not have interest to become SHG members. Interestingly, a large number (95 per cent) of respondents have savings habits. Only five per cent of the respondents did not have the attitude of savings. Among the entrepreneurs, a large number of women respondents in business, trade and service had more savings than the rest of the women entrepreneurs.

The study found that the SC and ST women entrepreneurs saved more in banks before starting entrepreneurial activity. But after becoming entrepreneur’s the same women started to save more in LIC. The volumes of savings have increased 3.5 fold after they started their entrepreneurial activity. The study found that there is a positive correlation between the annual income and annual savings of the SC and ST women entrepreneurs.
The study found that 21 per cent of the microfinance institutions loan amount has been mis-used for personal or family purpose. Highest leakage (36 per cent) was found among the manufacturing entrepreneurs. The business, trade and service activity entrepreneurs diverted 18 per cent of the loan amount for non-entrepreneurial activity. However, the agro-based entrepreneurs have used 84 per cent of the microfinance institutions loan amount for the purpose it was meant, that is on entrepreneurial activity.

The asset created before and after obtaining micro financial activity shows a different picture. Before microfinance institutions loan assistance, the respondent’s assets were in the form of immovable (62 per cent), whereas after availing microfinance loan, the respondents created more assets on movable than immovable items. One of the major findings of the study was that the respondents have given considerable attention in constructing toilet in their houses after availing loan from microfinance institutions, thus, fulfilling the dream project of the Prime Minister on “Swatch Bharath”. A shift in asset creation after availing loan from microfinance institutions is that the respondents wanted to live in luxurious life, not so serious about investing money on immovable asset.

7.4.4: Financial Accessibility of the Respondents

The study found that financial accessibility through microfinance institutions was faster and easier than any other financial sources to the SC and ST women entrepreneurs. All the selected respondents perceived the same way. Besides the microfinance institutions, the role of SHGs and banks in financial
accessibility by SC and ST women entrepreneurs was commendable and laudable. They played a significant role in financial accessibility of the SC and ST women entrepreneurs. The respondents from agro-based entrepreneurs, business, trade and service entrepreneurs and manufacturing entrepreneurs were highly access to Microfinance Institutions. The financial accessibility of the selected respondents through SHGs were greater among agro-based and business, trade and service and manufacturing activities. The commercial banks fulfilled 13 per cent of financial requirement of the SC and ST women entrepreneurs. Nonetheless, the role played by money lenders and NGOs was significant in the context of lending money to the weaker sections. The money lenders dominated in lending money in remote and in accessible places. They played a significant role in providing loans due to easy accessibility.

The study found that the microfinance institutions carefully analyse application of the weaker section. Out of 600 respondents hardly seven per cent of the respondents have stated that their application was rejected due to non-compliance of required document namely, group resolution, individual photo, ID proof, address proof and want of other documents. The refusal of loan was also due to untimely submission, incomplete submission of application to the microfinance office. Interestingly 93 per cent of the SC and ST women entrepreneurs’ applications were accepted and loan was sanctioned by the MFIs. The financial accessibility of the respondents from the co-operative banks, private banks, NGOs are minimal.
The study found that half of the respondents repaid the loan on monthly basis followed by weekly payment. 10 per cent of the respondents repaid the loan fortnightly. Interestingly, respondent’s repayment varied from one category of enterprise to another category.

The study further found that the loan was repaid on two modes, namely self remittance by the respondents in the MFIs or spot (village itself) collection by the business correspondents. Three-fourth of the respondents repaid the loan through spot collection. In fact, 81 per cent of the respondents in manufacturing, 75 per cent in business, trade and service respondents repaid their loan through microfinance field officers. In contrast, 32 per cent of the respondents from agro–based entrepreneurs repaid their loan by themselves directly in the microfinance office.

The study found that the financial accessibility by the SC and ST through microfinance institutions was higher than any other financial sources, namely commercial banks, SHGs, NGOs, money lenders, cooperative banks and private banks. On an average, the microfinance institutions helped 51 per cent of the finance requirement of SC and ST women entrepreneurs in the study area. This means that the success rate the financial accessibility by the SC and ST women respondents, in terms of the loan received was higher with MFIs against the loan applied than other formal funding agencies.

The study found that the respondents are prompt in loan repayment. Almost three-fourth of the respondents have repaid their loan to the different
financial institutions. The respondents have repaid more to the microfinance institutions and commercial banks than other funding sources.

The study further found that the microfinance institutions took 30 days to release the fund from the date of submission of application but the commercial banks took 70 days for the same activity. Nonetheless, the SHGs and money lenders are still faster in disposing fund to the SC and ST women entrepreneurs.

Among the problems faced by the respondent’s insufficient fund, poor marketing, high rate of interest, delay in sanctioning of loan, reduction in repayment period, lack of awareness on business procedure, inability to maintained proper financial records and accounting are the predominant problems of the respondents, which is followed by lack of family support, absence of working capital and collateral problems. The problems related insufficient fund was the major problem perceived in business, trade and service and agro–based entrepreneurs than the manufacturing entrepreneurs.

The respondents viewed that the MFIs are extending many advantages to respondents. The SC and ST women entrepreneurs have felt the following advantages being the beneficiary of MFIs. The advantages are easy accessibility, spot collection, weekly repayment, diminishing rate of interest and also low rate of interest. Among these advantages easy accessibility and diminishing rate of interest are the most attractive feature of the microfinance institutions to the poor SC and ST women entrepreneurs.
7.5: Conclusion

Women are now back bone of national development. Microfinance is a new concept entered in the life of women since 1985, which made them to adventure into entrepreneurial activities. Microfinance institutions are committed to uplift the women and weaker section of the society to take up challenging opportunities and help them to lift their life from poverty. Accessibility of finance was considered as a distance dream of the weaker sections but became part and partial of life and women. Financial inclusiveness has helped the socially excluded community like SC and ST women to be financial inclusiveness. The study conducted on SC and ST women accessibility on microfinance institutions has brought very notable and remarkable achievement in the livelihood pattern of the poor women. With the meager involvement and coming from poverty stricken situation, financial inclusiveness made many SC and ST women to venture into entrepreneurial activities as first generation entrepreneurs.

However, the Government motivation was found meager and even in many places Government motivation has not reached the deserving people. The women have entered the enterprise activity to earn more income and lift them from poverty line. All those enterprises are small or micro in nature but they have provided employment for their own family members, neighborus and jobless people. Unlike other enterprise activity, SC and ST women entrepreneurs were paying higher salary to women than man.
18 Microfinance Institutions (MFIs) have influenced the life of SC and ST women to a great extent. The microfinance institutions are the major source of funding to the weaker section in the study areas. The microfinance institutions are very much accessible to the SC and ST women entrepreneurs and also faster in financial transaction than other formal sources of funding including commercial banks.

Microfinance institutions are playing a predominant role in the hilly area like Nilgiris district and backward districts like Vellore, Villupuram and Dindigul. On the other hand, Salem district one of the industrial city in the state of Tamil Nadu has also received significant benefits from microfinance institutions. Nonetheless, it is sadly noted that Tiruvannamalai district, falls under backward district, where the accessibility of microfinance institutions is moderate only.

The selected SC and ST women entrepreneurs are so happy to receive financial assistance from microfinance institutions because it is easily accessibility, low rate of interest, diminishing rate of interest and easy repayment period. As such the microfinance institutions are playing the positive role in the upliftment of the SC and ST women entrepreneurs in the selected districts of Tamil Nadu.

**7.6: Policy Implications**

The selected SC and ST women entrepreneurs are engaged in agro-based, manufacturing, business, trade and service activities. Since limited
number of entrepreneurs were found in manufacturing sector, the SC and ST women should come forward to take up manufacturing enterprise. As manufacturing sector has higher scope under Prime Minister initiatives on “Made in India” or “Make in India” or “start-up India”, the SC and ST should make use of the opportunity available and get larger benefits.

The Government should motivate the SC and ST women entrepreneurs to enter into manufacturing sector. The Government as well as NGOs should excel in giving training and motivation to the poor SC and ST women to take up manufacturing enterprise activities instead of traditional enterprise activity like agro-based, business, trade and service enterprise.

As most of the entrepreneurs have entered into different entrepreneurial activities on their own, Government intervention on motivation part of the entrepreneurs is missing. Hence, the Government machineries should be geared up to motivate the SC and ST women to enter into entrepreneurial activity.

The SC and ST women entrepreneurs should be trained on the start-up enterprise or business procedures. The DIC, KVIC, SISI and SIDCO should come forward giving awareness or training on business procedures to start up profitable enterprises for the people living at the gross root level. The MFIs can also consider providing skill training in addition to financial literacy training to the weaker sections.
The SC and ST women entrepreneurs should be given training on financial record keeping and account books maintenance. These financial literacy help the SC and ST women entrepreneurs for preparing profit and loss account and balance sheet.

Since Government machineries hardly reached four per cent of the SC and ST women on the part of motivation, they should make effective mechanism such as IT and other e-sources to reach out the poor and marginalised community to take-up appropriate entrepreneurial activity.

One-third of the Nilgiris district respondents are running their business in rented building, the Government should think of providing buildings or permanent place to operate the enterprise in the local itself. Similarly, Government building is not available for the respondents belonging to Dindigul, Tiruvannamalai, Vellore and Villupuram districts. Hence, Government should give adequate attention in providing permanent building to the respondents. The rent fixed by Government building should be lower than the private building rent.

The penetration of microfinance institutions to ST population was limited, the microfinance institutions have to take special efforts to open more branches in hilly area or ST dominated district and issues finance assistance without bottle-neck. Hence, microfinance activities have to be intensified in hilly areas and marginalised group have to be brought under MFIs umbrella.
As the entrepreneurs have concentrated their entrepreneurial activity in rural areas, the SC and ST women entrepreneurs must think of establishing their enterprise in urban areas as well. Moving the enterprise activities to urban or cities will help the entrepreneurs to earn more income.

The study it is suggest that the respondents should adopt for joint family system instead of nuclear family. The suggestion of joint family system will help the entrepreneurs to concentrate more on enterprise expansion or diversion. The family affairs will be taken care by the elderly people in the households.

As majority are living in tiled, hut and thatched house, the TAHDCO should help the entrepreneurs for building pucca houses.

The Government should motivate the owners of unregistered units to go for registration and also to obtain Government benefits including ISI, Agmark, and KVIC certificates. The respondents should be informed that registration of the units will fetch financial (subsidy) and non-financial benefits announced by the Government then and there, besides insurance coverage. Registration also helps the industries to avoid unnecessary harassment from the officials in the form of raid and checking.

In tune with recent policy measures of the Government of India on demonetisation, the SC and ST women entrepreneurs should be motivated to save their savings in banks and post office. The post office services should be enhanced in tune with banking services such as opening of savings accounts and debit card facilities to the SC and ST women entrepreneurs in the rural
areas. This will promote more SHGs to take up financial benefits from the postal department as well as from the commercial banks. All operations must be carried out through banks. Although microfinance institutions are efficient in reaching out of the poor SC and ST women entrepreneurs, the study recommends that the MFIs should still work hard to reach out all the poor and underprivileged population more effectively financial inclusive growth of SC and ST women entrepreneurs. The MFIs such as growing opportunity, L&T, Gramavidiyal, Samastha, Share and BWDA have to work hard to reach out more SC and ST women entrepreneurs.

The customer service provider (CSP) should play an active role in villages to spread the policies by the Government about maintenance of financial documents, Government services provided to the poor, particularly finance inclusiveness of SC and ST women. Thus financial literacy should be promoted in rural area.

Since one-fifth of the loan amount is misused by the respondents, the microfinance institutions have to be very careful and they should give clear instruction to the borrowers about the pattern and use of loan amount. Further, the microfinance institution officials should ensure that whatever money allocated to respondents should be used for the purpose it was meant.

The RBI should regulate and watch the active functioning of MFIs. The access to finance by the poor SC and ST people should be ensured through SHGs and gross root level agency. Government publicity about financial
inclusiveness through campaign, drama, newspaper, television, mails and street plays should also be strengthened.

The MFIs should come forward to provide entrepreneurial training and financial literacy to the new and fresh SC and ST women entrepreneurs. Microfinance institutions should give free financial counseling to the marginal and low income household and also small entrepreneurs.

The MFIs role should be strengthened in districts like Tiruvannamalai, Nilgiris, Vellore and Salem. Similarly the MFIs should take effective strategies to collect loan paid to the SC and ST women entrepreneurs. The MFIs are weak in Dindigul, Salem and Villupuram districts, in terms of loan repayment by the SC and ST women entrepreneurs. Hence, the MFIs should take stringent methods to collect the loan from SC and ST women entrepreneurs and should consider extending repayment period monthly instead of weekly repayment.

As the entrepreneurs are poor and ignorant, they are unable to sell the finished products in competitive market. Hence, the MFIs should walk extra mile in facilitating market assistance to the SC and ST women entrepreneurs in marketing their finished products. It may be made them easier to conduct business by consolidating and simplifying business process, improving delivery time and curbing corrupt practices, create web - based portals and information for entrepreneurs for better marketing of their finished products.
The Government should maintain the data base on SC and ST women entrepreneurs at the state level as well as national level.

Course related to entrepreneurship should be introduced in schools and colleges by the Women Study Centers to equip the girl students with information on entrepreneurship as one of the most vibrant careers. SC and ST women entrepreneurs cell should be established in College and University so as to identify the entrepreneur potential in girl child. Apart from this, they must be given ample opportunity as per the ability of the child.

Skill development training should be conducted for SC and ST women entrepreneurs. More NGOs, voluntary organisation and microfinance institutions should come forward to create networking among the SC and ST women entrepreneurs and provide necessary skill training and microfinance assistance to the women.

Reduction in the rate of interest, reduction repayment period and simplifying loan procedures may further strengthen the ties between SC and ST women entrepreneurs and microfinance institutions.

There is need to have proper regulating authority at each level of loan lending, collection of issued money and to ensure the utilisation of loan amount of the borrowers, which will help in long term sustainability of the microfinance institutions and it will help in avoiding any misuse of money.

Financial institutions are lending money to women, but most of the staffs are male. Hence, more, opportunities must be given to women to work in microfinance institutions.
7.7: Scope for Further Research

More research can be carried out on the following topic:

1. Similar study may be conducted in other districts and other states.

2. A comparative study can be carried out between the SC and ST beneficiaries and non-SC and ST beneficiaries of microfinance institutions.

3. A study can be conducted on the role of formal financial institutions and entrepreneurial development among SC and ST women.

4. Role of microfinance institutions and removal of poverty and unemployment in the SC and ST community.

5. Financial accessibility of microfinance institutions and forward and backward linkages of regional and state economy.