CHAPTER-6

FINDINGS, SUGGESTIONS AND CONCLUSIONS
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Findings

Findings of 200 SHG members were selected from 100 SHGs for data collection, using interview schedule from the study area. Statistical tools like simple average, percentage, mean, median, standard deviation, correlation co-efficient, chi square test etc. have been used to pursue the objectives. The whole data process and analysis has been carried out by using SPSS software.

Background and characteristics of respondents

The finding showed that members of SHG are combined with male and female but the participation numbers of male is less as compared with female. It is one of the unique and distinguish characteristic of SHGs in Manipur.

Out of 200 SHG members 65.5 percent are married, 30 percent are unmarried and remaining 4 percent are widowed and divorced. The majority of the SHG members were in the age group from 25 to 44 years, with the monthly family income of SHG members in the range of Rs. 1,001-5000. Further, in the course of investigation, it is found that the monthly family income of SHG members and educational level are
independent to each other. By using \(x^2\)- test, it is found to be statistically insignificant at 5% level of significant with P-Value =0.371> 0.05.

Opinion about the status of women

The status of women in our society is directly or indirectly influenced on the growth and development of women entrepreneurship. It is observed that 45.5 percent of the respondents are not satisfied with the status, 45 percent opined as better status and only 9.5 percent of SHG members opined as improved status. Further it is found that 52 percent of respondents are agreed with the improvement of women status in Manipur from the past and 48 percent of them are not agreed with the improvement of women status as compared with the past status of women in Manipur.

In table 5.4, it is found that increasing the saving and start small scale industries are the main ideas held by the SHG members. The maximum numbers of SHGs established in the year 2005 have been selected for study. The groups are having 15-20 members and the groups formed based on the needs of community.

The SHGs selected in the study were established base on the general population as target group. 84 percent of the SHGs were established 2 years ago. From this study, it is also observed that most of
the members have joined in the group by themselves and only few members were introduced by relatives, friends, clubs etc.

The main reasons of joining in the groups are to start self employment, (86%) saving habits (79%) and to fulfill immediate needs(68%). It supports the hypothesis that the SHGs provide opportunities for self employment to large number of people particularly women in Manipur. 95 percent of groups members in the study have no problems with the family and only 5 percent have faced the family after joining in the group.

**Organisation and function of Self Help Groups**

Organizational functions of that SHGs are backbone for successful running of the group. It is witnessed from the study that most of the SHGs in Manipur are well established. Moreover, all the SHG members included in the study knew the importance of attending the group meeting regularly and all of them attended the group meeting.

Organizational actively is very important in order to achieve their goal. In the finding of the study, 95 per cent of the groups members are having saving mobilization skill, 85 percent keep record properly. Out of 200 members, 73 percent of them have entrepreneurial skill and habit of loan repayment, 42 percent of the SHG members reported that they repaid the loan regularly. From the above finding it is also found that most of the
SHG members performed their duty for betterment of the group but there is lack of loan repayment habit.

Table 5.12 show the training participated by the SHG members. Among these training given by various agencies, maximum number of group members participated skill development training and leadership training and it is followed by other training. According to the opinion held by the SHG members, 9 percent of members were satisfied with these training programs and got benefit. However, 9 percent of the group members have not received any benefit. Out of 200 SHG members selected for the study, 99 percent of them are fully engaged in the group work for improvement of the group and SHG is the only means of livelihood. It supports the hypothesis that if SHGs are properly developed the unemployment problems can be solved to a great extent.

Specific problem faces by SHG members are found to be very few. Most of the respondents (91 percent) reported that they have not faced any problems and 9 percent of them reported that they faces some problems in organizing the group.

From this finding it is observed that the reason for joining in the group by the SHG members varies with monthly family income range. Again this statement is found to be significant at 5% level of significance
with p-value <0.001, thus the reason for joining in the group is associated with monthly family income of the SHG members.

**Saving and credit performance of groups**

Out of 200 SHG numbers selected as a sample, 45 percent of them reported that their monthly saving amount is Rs. 60-80, 21 percent save Rs. 80, 17 percent save Rs. 20-40 and 15 percent save 40-60 per month. But the remaining 2 percent are not able to save from this income.

Thrift contribution is found to be in the initial stage of formation. It has been revealed from the study that 91 percent of SHG members thrift contribution in the group are from their own labour, 15 percent from husbands income and 1 percent from other sources.

It is found that 98 percent of SHG members got internal loan with an average rate of interest adopted by SHG which is 3% per month and 2 percent did not get internal loan. And repayment schedule for each internal loaning adopted by SHGs is monthly pattern.

Out of 100 groups included in the sample, 72 percent received financial support from bank and 28 percent have not received financial support from bank. Those groups which have not received loan from bank is due to lack of motivation and support from agencies and some groups reported that they had their own money adequately and got loan from
NGOs and Other SHGs. Further it is found that 7.14 percent groups were under process of loaning.

Mode of providing loan to the SHGs adopted by banks is either installment basis or full amount at one time payment. The loan repayment of SHG is done in two stages. In the first stage every member who borrowed money from the group has to repay loan amount to the group. And at the second stage, SHGs who borrowed the loan amount from the bank, has to repay to their respective banks. The study has revealed that 81.94 percent of loan repayment schedule is based on installment basis that is either monthly or quarterly or seasonal and 12.50 percent of loan repayment schedule is in daily basis and only 5.56 percent is in full payment at one time. 87 percent of SHGs have no problem in obtaining loan from banks and only 13 percent have faced the problems. Here, the problems faced by the SHGs are not mentioned but 7.69 percent of them mentioned that due to lack of confidence from bankers so they have not received loan as they are the new customers.

It is found from the study that all the factors related to SHGs are the main factors contributing to the success of the SHG. To confirm this variation of opinion held by SHG members with respect to these factors, \( x^2 \) -test has been used and it is found to be highly significant at 5% level of significance with p- value <0.001.
It is observed from the opinion given by the members that to get financial help at the time of emergency, to get socially and economically empowered and develop the habit of saving among women are the most and general expectation of SHG member for joining in the group. Most of the SHGs in Manipur are appreciated by the people due to their social and economic activities.

**Micro enterprise**

SHG members are also micro entrepreneurs which can share to the national income and contribute to eradicate poverty in weaker section of the society particularly rural poor. Out of 200 SHG members in the study, 146 (73%) members have reported that their groups are considered as micro-enterprises, those who are not considered as micro enterprises that is due to lack of bank linkage to access the resources required in a micro enterprise.

The main factors contributed on the success of a micro-enterprise are proper production of good quality products, proper marketing facilities, financial support and manpower. Among 200 members in the study, 91 (45%) of them mentioned all these factors are important for the success of a micro enterprise. In this case, chi-square test is used to confirm the variability among these sectors. Among the various types of trade being undertaken by SHGs, weaving is the main micro-enterprise
trade taken by group members with 52 percent, others 24 percent, embroidery 8 percent, aggarbati and grocery items each with 4%, poultry and handicrafts each with 3% and papad making and multipurpose each with 1%. **It supports the hypothesis that the SHGs are contributing a lot in the development of cottage and village industries in Manipur.**

The linkage between the bank and SHG credit finance is quite good as compared with other sources of loan like borrowing from money lender.

It is found from the study that the monthly profit level of SHG members is different according to different in trade schemes. Applying chi-square test, it is observed to be highly significant at 5% level of significance with p-value <0.001. It shows the profit level of SHG members depends on the choice of trade scheme. After becoming a successful micro-enterprise, the distribution of external and internal loan amount received by members are different.

Out of 200 members, only 80 members received internal loan from the group, 75.5% of them received loan amounting to Rs.2,000, 10% of them Rs.2,000-4,000, 7.5% of them received Rs.4000-6000 and Rs.8,001-10,000 and 2.5 % of them received Rs.14,000-16,000. The average internal loan amount received by SHG members is Rs. 2,705. In regards to external loan i.e. bank loan, 35.1% of them got an amount of
Rs. 4,001-6,000 and so on. The most common practice of loan recovery is both principle and interest repayment in an installment basis.

Total amount of loan (both external & internal loan) given to 200 SHG members is Rs.9,78,210. Out of this loan Rs.8,15,812 has been recovered from SHG members. Thus, the total amount of default is Rs.1,62,398. Finally the average amount of default of loan is Rs.811 per members. So, the credit performance of SHG members is quite satisfactory.

**Structure and performance of micro enterprises**

Frequency of production, number of employees, process of sales of products, marketing of the product, salary of employees and profit of the business are main parameter to measure the performance of a micro-enterprise. It is shown that most of the SHGs are becoming micro-enterprises by seeing their work and successful entrepreneur. Table (5.35) showed the distribution of SHG members to their profit per month and monthly family income. The coefficient of correlation between monthly profit and their family income is 0.119. There is positive correlation. Thus, the family income of group members is increased with the increase of profit obtained from the group. The profit obtained from their enterprises depend on the age of micro-enterprises.
Due to the various problems of Manipur, entrepreneurs of micro enterprises are also found to be suffering. Out of 200 members, 166 (83%) of them reported lack of power facility as the main problem in establishment of micro-enterprises and 34 (17%) of them are against it. Skilled works and equipments are also one of the essential requirements for the success of micro enterprises in the production process. It is observed from the finding that the major problems faced by SHG members in production process are scarcity of raw material, lack of power facility and transportation.

SHG members opined that the maximum number of members possess the knowledge of production and finance in the field of entrepreneurship. As reported by the members included in the study, they have less knowledge in the specialized field like technological, administrative and other knowledge due to lack of skilled works, up to date technology and educational training. Even though out of 200 members, 198 (99%) members plan for improvement of entrepreneurial activities through their hard work and devotion. The member performed different activities for the improvement of entrepreneurial knowledge from different angles. It supports the hypothesis that the development of the SHGs ultimately lead to the development of entrepreneurship in Manipur. Out of 200 members selected for the study, 4 (2%) planned by collaborating foreign goods, 138 (69%) financial tied up with other
firms, 60(30%) for improvement of technology, 180(90%) tries to introduce new products which suits to the locality etc. for the improvement of micro-enterprise.

After joining in the SHGs, the members have been getting benefits from the group. It is observed from the study that most of the members are considered to be moderately benefited after joining.

The selected SHG members have given some suggestions for the success of SHGs in future. The other suggestion commonly made by 184 (74%) SHG members are good atmosphere common workshop, trainings, financial help, support from other related departments and agencies.

Suggestions

Considering the above mentioned issues some suggestions are offered in connection with the present studies which are as follows:

(i) Training

Proper motivation and trainings should be given to make innovative and high quality products by using local and other resources. 176 (88%) SHG members suggested to provide the raw materials at low rate in order to sell the products in a reasonable price.
(ii) **Role of promoting agencies and financial institution**

The promoting agencies play a significant role in empowering entrepreneurs by providing education, motivation, and financial help and so on. Out of 200 SHG members, 110 members suggested to improve new technology for success of the group in future. On the basis of their performance, financial institutions should make arrangement for providing adequate financial assistance.

(iii) **Raising the scale of production**

The SHG members must have the idea of business development policy so as to help in production of locally suits products and design products. It will enable to maximize profitability and minimize cost of production.

(iv) **Improve workshed and marketing**

A proper atmosphere in and around the workshed is equally important. Without proper atmosphere nothing is possible. The quality of products depends upon the standard of workshed. So, some of the respondents suggested their desire to facilitate/construct good and suitable workshed by the government free of cost. Set up of a global link ready market to extend of demand is also suggested. The government should sponsor state level marketing centre and state level SHGs
exhibition to facilitate both the SHG members and the customers. Marketing outlets must be ensured to make sure the credit flow.

(v) **Standradisation and grading**

Standradisation and grading, of the product manufactured by SHGs is also necessary, so that customers can understand about the product.

(vi) **Institutional incentives**

The institutional incentives may come from the government and other local bodies in terms of providing better rural road, better transport, better power and water facilities. In order to encourage and irrigate the minds of members. “Best SHG Award” must be given and the concerned department must pay annual visit to the working area. The SHG- health programmes must jointly be organized to protect the incidence of health hazard.

(vii) **Role of Non Governmental Organisation:**

Non-Government Organisation (NGOs) can play a significant role in empowering by providing basic education, motivation, training etc.

(viii) **Awareness camps**

Frequent awareness camps can be organized by the Rural Development Authorities to create awareness about the different schemes of assistance available to the members of SHGs.
(IX) **Product awareness**

A number of fair/exhibition/mela should be organized for creating awareness about the products produced by SHG members.

(X) **Advertising**

Advertising is also necessary for making wide publicity of the various types goods manufactured by SHGs for the benefit of the prospective customers.

All the above points should be addressed through policy and programmes. Forward and backward linkages of the micro enterprise units set up by the SHGs should be provided by the SHPI. Banks and financial institutions engaged with micro finance need to play a parental role. So, above all this team spirit, entrepreneurial zeal and the urge to be successful and self sustained of the SHG members would contribute immensely to the growth of the SHGs.

**Conclusions**

Globalization and economic liberalization with the doctrine of free markets have opened up tremendous opportunities for development and growth and consequent modification in livelihood strategies. In India, if civilized society is to be maintained, all developments efforts have to be women oriented. In every society, women play critical roles in the family and outside. Socio-economic advancement of a country can be judge best
by the status and position of women. Women constitute half of the total population in the world. Empowerments of women is a critical factor in the eradication of poverty through remunerative and non-remunerative work at home, in the community and in the work place. Participation of women in income generating activities is related to increase their status, roles and decision making power in the family and in the society. If a woman is economically paralysed, she can never claim an equal status with man. Equitable development is necessary for the sustainable development of the nation.

Now-a-days SHGs are gaining popularity in rural and urban areas. The SHG started playing an important role in the rural development. Development begins from within-from our strength and strategy. There are many useful lessons of development to be learnt by Manipuri from Manipur. It is clear that Manipur is largely rural in terms of population and area. Manipur lives in 2,391 villages and the rural population accounts for 76.12 percent of the total population.

The only means to remove poverty from our society is cooperation and understanding among us. The best way is self employment by exploring our own resources. Prolonged dependence on agricultural activities are a sign of primitive economy. One of the approaches is through Self Help Groups. The growth of SHG could be seen when
NABARD launched 92 pilot projects on linking SHGs with bank at various part of India in 1991-92. There were 2,63,825 SHGs having credit linked by the end of 2000-2001. But it has increased to 22, 38,565 SHGs having credit linked by the end of 2006-2007. The growth rate of new SHG financed has decreased in southern region but the growth rate of newly financed in North East region of India has gradually increased from 0.51 percent in 2001-2002 to 4.57 percent in 2006-2007.

The Eleventh Five Year Plan of the state of Manipur plans to reduce the poverty ratio to 23% by 2010-2011. The poverty ratio declines from 50.01 percent in 1973-74 to 28.54 percent in 1999-2000. But the number of the poor has increased from 5.86 lakhs in 1973-1974 to 7.19 lakhs in 1999-2000. (Economic Survey of Manipur 2005-2006) NABARD sponsored programme, SHG- Bank Linkage programme is gaining momentum in the state of Manipur. In 2003-2004, only 63 SHGs were having credit linked with an amount of Rs. 11.20 lakhs but it has increased to 2338 SHGs by the end of 2006-2007. In Manipur, other banks like Vijaya Bank and Punjab and Sind Bank have also participated in credit linked programme of SHGs. So, the number of credit linked has increased from 2338 SHGs in 2006-2007 to 7229 SHGs in 2008-2009 with Rs. 3216.38 lakhs. The NABARD's SHG programme started late in Manipur. In fact, if we could act on time, the capital and human base of
the SHGs operating in Manipur could have been strengthened much more than what we see today.

The status of women in our society is directly or indirectly influenced on the growth and development of women entrepreneurship. The findings show that 63 percent from general population, 28 percent from schedule tribes, 3 percent from schedule caste and 6 percent of them base on all community were selected as target groups. The main reasons for joining in the group are to start self - employment, saving habits and to fulfill immediate needs.

54 SHGs had credit linkage from different banks, 18 SHGs have credit linkage from their promoting institutions. Out of these, 28 SHGs have not received support from banks due to lack of motivation, banking knowledge etc. The establishment of group and individual level micro enterprise is an important aspect for the sustainability of the concerned SHGs. All the members of SHGs under the study have undertaken income generating activity.

It is observed from the findings that 80 percent of members received loan from both internal and external sources i.e., bank loans. The most common practice of loan recovery is both principal with interest on monthly basis. Different SHGs adopted various norm of recovery for the
convenience of SHG members. The credit performance of SHG members is quite satisfactory.

Frequency of production, number of employees, process of sales of products, market of products, salary of employees and profit of the business are the main parameters to measure the performance of a micro enterprise. The production rate and frequency of production of the micro enterprise found from the study are different from one group to another group. And the coefficient of correlation between monthly profits of the SHG members and their monthly family income is 0.119.

The SHGs under study which have been operating for the last 3 years or more, are more profitable as compared with those micro-enterprises started during the year 1999-2001.

The SHPI plays a very important role in the SHG movement. The SHPI imparts different training programmes related to skill and knowledge development, various social issues, health related issues etc. This institution also imparts banking habits, arrange the credit requirement and bring overall development of the SHG members through group approach. SHG promotion is a social task and also is a marketing task. The members of 3 years or older SHGs expressed that the role of SHPI should be given awareness and motivation and other training programmes. Self employment has become a necessity rather than an
option. Micro enterprises produce both service and manufacture goods. Development of micro enterprises creates employment opportunities for the SHG members.

The state of Manipur is a land of myriad problems. The major problem faced by SHG members in production process are scarcity of raw material, lack of power facility and transportation, where is hurdles for the growth of the SHG units. Availability of substitutes products, price fluctuation, competition, social ailments are the challenges. Limited skill, knowledge, technology, resource and other inputs are also the major barriers for micro-enterprises and income generating activities. The problems should be addressed with the broader perspective because the success of this small unit is largely influenced by the visible efficiency of well designed public intervention. It is also observed that some of the Self Help Groups in Manipur are in the initial stage and some of them are in transition.

Economy never sleeps. Gainful self-employment is one route in getting themselves free from the crushing incidence of poverty and deprivation. The Self Help Group is potential instrument for self employment. In the light of the realities obtaining in the small open economy of Manipur, perhaps, the only way is to strengthen the rural economy so that the poor can be transformed into national asset. Self
Help Groups can now claim as a meaningful position in the policy framework for future planning and development of Manipur.

A SHG is a group of micro entrepreneurs who mutually agree to contribute to a common fund and to meet their emergency needs on mutual help basis. The entrepreneurs undertake this challenging task by acting as link between innovation and production. The extension of small loans through Self Help Groups can help in the growth of micro enterprises in any region. Income from micro-enterprises provides better food, housing, health care and education for entire families. The growths of micro enterprises through SHGs alleviate poverty. The Self Help Group is fertile ground for grooming rural entrepreneurship. The programmes of developing entrepreneurship among the poor women through SHGs have brought some remarkable positive changes in their lives. The improved scope for group entrepreneurship with renewed work cultured at local level is gradually taking shape. In conclusion, the SHGs are the important means for socio-economic transformation which can make the rural poor self sufficient by eradicating poverty and unemployment.
Researcher interviewing/interacting with SHG Members

Plate-1

Plate-2

Plate-3

Interviewing the SHG Members
Participating in Mela by the SHG Members
Plate-7
Reeling silk by machine cum hand

Plate-8
Reeling silk by machine

Plate-9
Reeling silk by hand
Plate-10
Participating in One Day Fruit and Vegetable Preservation Training

Plate-11
Participating in One Day Village level Seminar

Plate-12
Participating in Silk Reeling Training
Plate-13
Making dhoop by SHG members

Plate-14
Packaging dhoop by SHG members

Plate-15
Boori making by SHG members
Plate-16
Preparing edible items (*watin*) by SHG members

Plate-17
Packaging *watin*
by SHG members

Plate-18
Hand pounding
(making rice flour)
Plate-19
Making dish wash by SHG members

Plate-20
Making washing powder by SHG members

Plate-21
Preparing Manipuri special items, Bora, Singju (vegetables mixture), Kangou (fried mator)
Plate-22
Preparing Manipuri papad by SHG members

Plate-23
Making iron basket by SHG members