

Microfinance **India** **Summit**
Poor First

Women SHG Federation Leaders' Sessions

11th & 12th November 2008
Hotel Ashok, New Delhi

Organised by



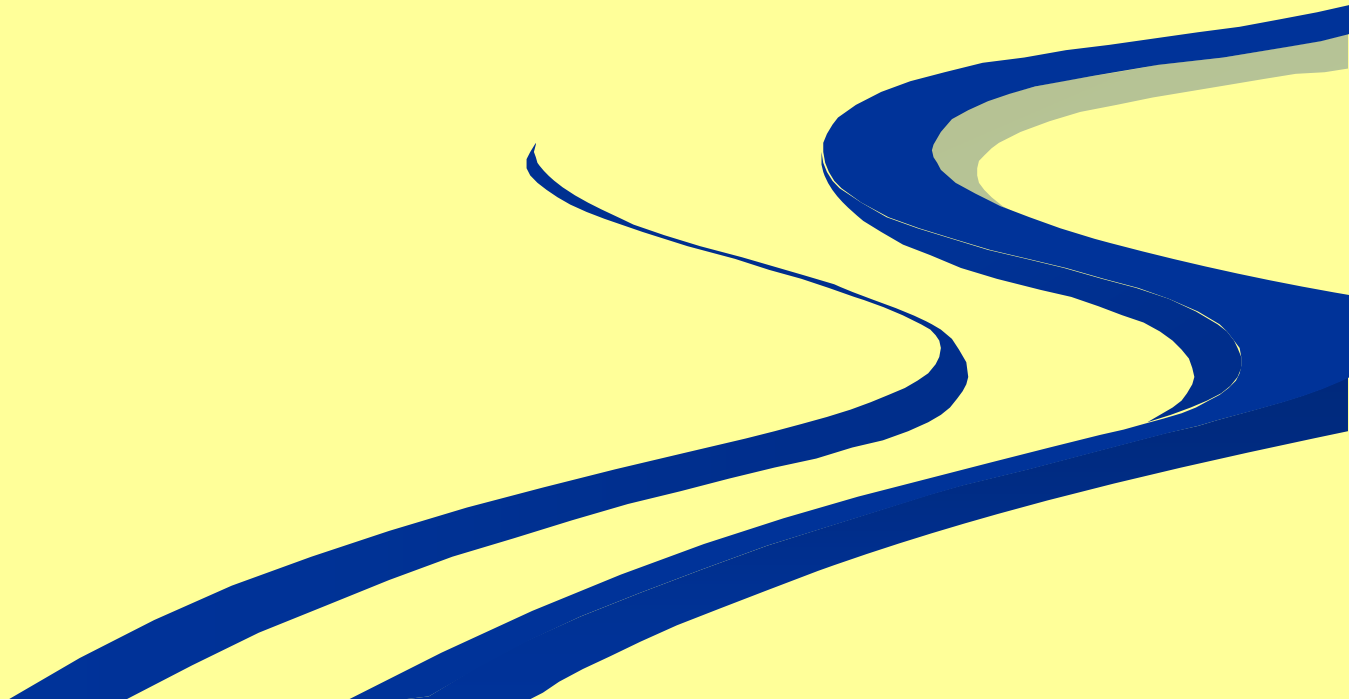
**National Network of
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Issues and Recommendations



Why poor get excluded?

- Banks reluctant to give loans to SHGs and insist on exclusion of women from the families of IRDP defaulters
- Loan waiver schemes has created confusion among SHG members; is impacting financial discipline- thus needs clarity from banks & govt.
- Government should not discriminate between groups of Government promoted and NGO promoted
- SHG should be treated autonomous institutions- not project/activity specific

Livelihoods

- Banks should not insist on particular IG activities while giving loans- should be left to the members/groups
- Govt. should recognize and involve SHG federations for implementation of social security schemes- highly positive experiences so far

Capacity Building

- Federations have strengthened the SHGs
- Investment is needed for capacity building of federations- government should provide
- Federations require 7-8 years to become sustainable- long term support required
- Leadership trainings, exposure, trainings on governance issues have emerged as the felt needs of the federations

SHG Bank linkage

- Wherever SHG bank linkages are weak, federations have to take up financial intermediation
- Current level of credit from banks is highly inadequate vis-a-vis their needs
- Need for a microfinance policy
- Earmark certain percentage of bank credit through SHGs

Sustainability

- MFIs are hijacking SHGs
- Legal act to enable federations for mobilizing savings and link directly with insurance
- Federations should be considered as integrated part of SHG promotion
- Funds for promotion of federations

