CHAPTER VI

FINDINGS, SUGGESTIONS AND CONCLUSION

6.1 INTRODUCTION

6.2 FINDINGS

6.3 SUGGESTIONS

6.4 CONCLUSION

CHAPTER I

INTRODUCTION

The Indian Government has taken a lot of initiatives to strengthen the institutional rural credit system and development programmes. However, formal sector credit agencies find it difficult to reach the vast majority of rural people. The problem highlighted above required a complete paradigm shift where the flexible and responsive system meets the needs of the rural poor (Kapoor, 1999). Viewing it in the welfare programmes of the
Ninth five year plan (1997-2002) and shifting the concept of development to empowerment, the Indian Government adopted the approach of ‘Self-Help Groups (SHG)’ to uplift the rural poor.

SHGs have emerged as the appropriate people’s institution which provided the poor women with the space and support necessary to take effective steps towards greater control of their personal and social life. It is not a static body, rather it grows in its resources and management skills of its members. Their increasing confidence has motivated them for enhanced involvement in public spheres and has provoked them to undertake common action programmes. Poverty alleviation is one of the prime objective of any country’s planning. Development is possible only if the poverty eradication programmes are implemented effectively with the participation of people. All over the world there is a realization that the best way to tackle poverty and enable the community to improve its quality of life is through social mobilization of poor.

Ever since independence, India’s main social objective has been to get ride of the appalling poverty of the majority of its people. A number of innovative schemes have been launched to this direction. Indian government has taken a lot of initiatives to strengthen the institutional credit system and development programmes. Formal sector credit agencies find it difficult to serve the rural population. Ensuring access of reasonably priced financial services to the poor and the needy should be the main principle of institutional credit theory. In India various models and innovations have been experienced by various agencies in pursuit of augmenting their outreach to the poor.
Self Help Groups (SHGs) is one such endeavour to reach out to the poor at their doorsteps at reasonable terms with the desired product. The origin of SHGs may be traced to the failure of programmes implemented by formal credit institutions to reach backward areas and rural poor. The high cost of credit as well as time for prepayment, have created wide gap between the needs of the poor and the services provided by formal credit institutions. The origin of SHG is the brain child of Gramin Bank of Bangladesh founded by Prof. Muhammed Yunis in 1975. In India, linking commercial banks with SHGs was started by National Bank for Agriculture and Rural Development (NABARAD) in 1992. The SHG- Bank linkage Programmes (SBLP) launched by NABARAD in 1992, is a landmark in the field of micro financing in India.\(^1\)

1.1 SELF HELP GROUPS IN GLOBAL, NATIONAL AND LOCAL PERSPECTIVES

Principles of gender equity of equality and protection of colors rights had been, prime concerns in Indian thinking right from 1 days of independence. Accordingly, the country’s concern in safeguarding the rights of privileges of women found it’s best expression in the constitution of India.

Article 14 :

Confers equal rights and opportunities on men and women in the political, economic social spheres.

\(^1\)
Article 15:

Prohibits discrimination against any citizen on the grounds of sex, religion, race, caste etc.,

Article 39:

Mention that the state shall direct its policy towards providing to men and women equally the right to means of livelihood and equal pay for equal work.

Article 42:

Directs state to make provisions for ensuring just and human conditions of work and maternity itself.

Article 51 (A) (C):

Imposes a fundamental duty on every citizen to renounce the practices derogatory to the dignity of women. To make this demure equality into defects equality, special legislations have been enacted from time to time in support of women.

The report of the steering communities on “Empowerment of women and Development of Children” for the 10th five year plan (2002-2007), confirmed that the, “development of women has a direct bearing upon the country’s total development woman who represent 90% in the informal sector have been the backbone of the rural economy, but unfortunately their contribution to the economy and to the development process remains invisible. They are, in fact, getting adversely affected in the wake of the
changing development paradigms, especially those of economic liberalization and globalization, besides their own sufferings of social backwardness. Therefore, they form a priority group requiring attention of the Government.”

As per 2001 census, woman accounted for 495.74 million in numbers and represented 48.3 percent of the total population of India. The entire female population projected for 2001 was categorized for plg purposes distinct sub-groups as girl children, adolescent girls, reproductive women, woman economically active woman.

1.2 GLOBAL SCENARIO

SHG was an association of people belonging to similar socio-economic characteristics, residing in the locality. The SHG concept was most appropriate and can succeed only if and when a holistic approach is imbibed in the promotion of SHGs as self-sustaining local organizations. The emphasis, as could be seen was on locality and locals. It was therefore, imperative to study the SHG scenario globally.

The concept of SHG worldwide was when people work together for change the way the world looks up, so that all people gain control over their lives. It was not about people using Self Help to prop themselves up to be better off than everyone else.

It is not about putting the bottom of the top of it. Members of SHGs do, of course, gain skills, knowledge and experience to benefit, personally from their involvement-

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3 By the collective of SHGs, Melbourne, Australia – 1992., p.147.
gaining confidence and power is directed towards ending the oppression faced by the group.

1.3 SHGS IN INDIA

In the Budget speech for 2006-2007 union Budget presented by their Union Finance Minister Stated “the SHG movement was making rapid strides. We had credit linked 80,000 SHGs. The credit disbursed to these SHGs is approximately Rs.4,863 crores and we propose to ask the banking sector to credit link another 385,000 SHGs in 2006-2007. They shall ask NABARAD to open a separate line of credit for financing farm production of investment activities through SHGs.  

The SHG system was initiated by NGOs and was used for financial intermediation both by commercial banks and Micro Finance Institutions (MFIs). By April 2001, some 235,000 SHG, had taken loans from 41 Indian Commercial Banks, 166 Regional Rural Banks of 111 Co-operative Banks. The average loan per group was around Rs.18,000 and average loan per member was Rs.1,100. During the year 2000-2001, 1,71,000 SHGs took loans of which 1,49,000 were first time borrowers.

The formation of SHGs for savings and credit and their linkage to commercial banks was initiated in India by MYRADA in the mid 1980s. NABARD and other institutions had vigorously promoted SHG linkage from that time. In early 2000 –

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NABARAD had estimated that one million SHGs would be borrowing from banks with a total membership of around seventeen million by 2010. This estimate was based on a forecast of 50,000 SHGs taking loans in 2001-2002 rising to a rate of 1,10,000 per year from 2005 onwards. In the year ending March 31, 2001, about 1,29,000 new SHGs took loans. So these forecasts might be well below the number that is actually achieved. Assuming an average of seventeen members per group, this amount to an addition of almost 3 million clients in just one year. This had been made possible by the collaboration bet banks, NGOs, MFIS and NABARAD with the necessary authority from the RBI. SHG system reflects, scale and the institutional diversity of the Indian financial system. The SIDBI foundation for micro credit (SFMC) on their part participates that in 2009 their MFI partner will be receiving 1.3 million clients. The share of Andhra Pradesh, largest user of the garment type system in India, is reckoned 1.7 million women by early 2006.5

These figures were not even remotely realistic as the actual performance as described above suggests that they are grossly, underestimated. Micro finance in India has finally “taken-off” estimates of the No.of people ‘below 1 poverty line’ (BPL) vary widely, but the figure of 40 percent was almost commonly accepted. This emeritus to 400 million people or some 80 million households. If the NABARAD and SFMC forecasts were fulfilled of the present growth in the No.of 1 poor people does not accelerate. Over a quarter of poorer Indian households will have access to formal financial services by 1

5 Malcem Harper Report-2002
year 2009. The vast majority, however, even if the share’s forecasts were achieved, will still be using the SHG system.

The unemployment problem of India sharply differs from that prevailing in western nations. In our country, a person working 8 hours a day for 273 days of 1 year is regarded as employed on standard per year basis. It is important to note that unemployment in an under-developed country like India is not the consequence of ‘deficient effectors demand’ as pay the Keymisian terminology, but a result of the ‘shortage of capital’ and other related resources. Provision of employment may be of the 3 following types.

(a) Self employment

(b) Salarised employment

(c) Salarised employment

(d) Causal employment

There were in fact a number of possible routes to promotion of self-employment. Promotion and strengthening of SHGs is one sure way of them SHGs provide:

(a) Benefits of economics of scale

(b) Cost effective alternative for different financial services.

(c) Collective learning
(d) Democratic and Participatory culture and

(e) Platform for dialogue and co-operation

Benefits of SHGs were based on co-operation of not competition as prevalent in business communities. If there is competition, it was only survival competition as propounded by Edward de Bono - this follows the principle of:

“Contribute according to your ability of extract according to your needs”

Proudly 3 different models have emerged under the SHG- Bank linkage approach in the country. They are as follows:

**MODEL –I NGO**

Acted as a promoter of facilitator in brining SHGs to the door steps of bank where bank branch directly provides loan to SHGs in proportion to their savings.

**MODEL- II NGO**

Acted as a financial intermediary in the sens that it promotes, SHGs, trains them and also provides them loan after availing the same from the bank in proportion to the savings of the SHGs.

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MODEL –III

Banks themselves promoted SHGs without any assistance from the NGOs and also provide loan to the SHGs in proportion to the savings of the groups.

The SHG Bank linkage approach was introduced by NABARD in Feb 1992 as a pilot project to cover just 500 SHGs to the efficiency of rural poor people’s approach to patricianly process of development. The on time repayment rates on SHGs loan are usually well over 95 percent. This is so much higher than the normal performance of loans granted under Government ‘schemes’ to poorer people alternative approach promoted union government to extent coverage of scheme to two lakh SHGs reaching million families. The central government had extended group approach as the “Principal mode” while. Structuring “Swarna Jayanthi warm Swarojagar Yojana” with effect from April 1999.7

Andhra Pradesh in India had been in forefront of CIG of SHG (Common Interest group of Self Help Group) movement since early 1960s. It has the largest number of such groups in 1 C8

1.4 EVOLUTION OF SELF HELP GROUPS

Human beings have an intrinsic propensity to form and work in groups. Sociologists are of the opinion that the tasks are best carried out by small groups as they

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7 Ibid Vol.25 No.11-Aug 2005.
allow active participation and contribution of the members as the interactions take place face to face. According to group behavior theory, people come together and function as a group if they are organized for a purpose, which furthers their common interest.

SHGs are voluntary associations of people formed to attain certain collective goals, viz. social and economic. The existence of SHGs thus dates prior to any organized intervention by any external agency as they have originated on their own. The use of SHGs as conduit for delivering saving and credit services to rural poor is of relatively recent origin. Co-operative movement in the country represents one of the earliest examples of self help to bring together people for fostering thrift and mutual help for economic betterment of the members.

1.5 DEFINITION OF SELF HELP GROUPS

SHG is “a small voluntary association of poor people” preferably having the same socio-economic background. They come together for the purpose of solving their common problems through self help and mutual help. In the present context SHG is defined as” a registered or unregistered group of people with a homogeneous social and economic background, voluntarily coming together to save small amounts regularly and mutually agreeing to contribute to a common fund to meet their emergency needs on mutual help basis.”
The main objectives of SHG is to inculcate the habit of thrift savings, banking culture, that is availing the loan and repaying the same over a given period of time and in the process, economic prosperity is achieved through credit. The objectives of SHGs are:

- To inculcate the habit of saving and banking habit among the poor.
- To build up trust and confidence between the poor and the bankers.
- To develop group activity so that various welfare and developmental programmes can be implemented in a better way with the participation of groups of poor people.

The SHGs comprise very poor people who do not have any access to formal financial institution. They act as the forum for the members to provide space and support to each other. It helps members to work in co-operative and group environment. It provide savings mechanism to serve the small credit needs of its members.

**The major characteristic features of the SHGs are:**

- A small economically homogeneous and affinity group of rural poor.
- Voluntarily formed to save and mutually agree to contribute to common fund to be lent to its members as per group decision.
- Members work unitedly as a cohesive unit.
- Intimate knowledge of members’ of intrinsic strength, needs and problems.
- Flexible and responsive.
- Democratic in operations
Simple documentation
Collective leadership and mutual discussions
Self help, social and economic empowerment

1.6 FUNCTIONS OF SHGS

In view of carrying out the empowerment of women the SHGs are expected to take on certain functions which are essential. Documentation on the happenings of the SHG and their involvement with the wider society is considered to be vital. Small savings details are maintained by the members themselves. SHGs maintain proper accounting and book-keeping as an essential part of the system. Minutes book, receipts, vouchers, cash books, general ledger, members’ pass book and sub-ledger for members are usually maintained in each group. All the financial transactions are recorded in these books. Individual pass books are given to each members while other books are retained at a common place; generally it is kept in a bag at the leader’s house. Mostly SHG proceedings and accounts are wither written down by the animators or the NGO representative.

In the group meetings where all the members are present the financial transactions take place, namely, collection of savings, loan installment, issue of loans, etc. the meetings are conducted on the fixed date and continue for two to three hours. The members make their financial appeals to the group members based on their needs and the mode of repayment of the loan that is being sanctioned by the group. After disbursing the loans the balance money is deposited in the bank either by the animator or the
representative I or II. Besides financial transactions they also discuss the important and current issues pertaining to women and to society.

Financial sources are mobilized internally and externally. Internal sources are the regular savings of the members, interest earned on loans, common fund of the group and loan repayments from members. Interest collected from the members vary from twelve to eighteen percentage. It is decided by the members themselves. The members who are not paying their loans and interest are asked to pay penalties. External sources are received from banks, NGOs or federations. Grants and subsidies given by the state and central Governments as SGSY and THADCO add to the external sources.

The SHG members met periodically i.e. once or twice a week, once a month in a common place of the village. It reinforced their faith of interdependence and solidarity. Those who failed to attend the meetings consecutively for a period of 3 months lost their membership; however pregnant women and lactating mothers were exempted. It had been observed that participation ranged from 96-98 percent and the members met invariably at critical situations to sort out the issues and find solutions. The meetings were held often after 6 p.m in a common place for the convenience of women who returned from the fields and finished cooking at home. Periodical meetings and training programmes were organized for the SHG members with the support of NGO or Bank.

SHGs encourage savings among its members. Thus the ‘Mathar Sangams’ or women’s groups started the savings campaign in early 90’s. With an emphasis of Governmental agencies in 1997 and with the support of NGOs women’s groups
regularized savings. SHGs deposited their savings in the local nationalized banks. Poor women who had no accessibility to the banking sector started having cordial rapport with bankers. It also reduced the burden of handling huge individual accounts for banks and the transactional costs of lending also lessened. Lending of small loans in SHGs and linkages with banks were established in 1998. Group loans varied from Rs.20,000/- and above depending on their savings.

SHGs also promoted democratic culture and provided the women with opportunities to imbibe norms of behaviour that the based on mutual respect. Hence they were able to foster concern even in internal lending of loans based on individual needs and priorities. It provided a firm base for dialogue and cooperation in programmes with other institutions like Government departments, cooperatives, financial and Panchayati Raj institutions.

The SHGs engaged not only in productive economic activities but also in social empowerment and capacity building of rural Dalit Women. Health education, medical facilities, literacy, alternative agriculture practices, leadership qualities and team building are other activities of SHGs. Various studies revealed that SHGs ensured the ‘we-feeling’ among the members achieving the group cohesiveness and accorded a social identity to the rural Dalit Women. It also enabled them for collective bargaining while keeping up their dignity. The “non-productive and non-asset worthy”, naïve village women had become agents of social change and economic development of the community through decentralized means of empowerment.
SHGs are owned, managed and controlled by a group of poor people and came into existence to mobilize financial resources through their own savings and lending among them to meet the credit needs of members. Regular transactions like savings, loans and collecting repayments from the borrowers etc. take place in the group meetings. After the completion of six to seven months from starting the operations, promoting agencies takes steps for bank linkage.

The linked bank, on the basis of appraisal of loan amount and rating of the SHG, allows loan in multiples of the group savings without any collateral security. Generally, group savings and credit are in the ration of 1:1 to 1:4, but the banks can finance more than this proportion based on the maturity and capability level of the group. The repayment period of loan extended to a SHG is normally for a minimum period of 3 years with half yearly installments. The rate of interest to self help groups varies from bank to bank.

The important functions of self help groups are:

- Meeting every week/fortnight, inculcating the habit of thrift, creating common fund through regular contribution by the members.
- To avail credit support from financial institutions without collateral.
- To recycle the pooled corpus fund and disbursing bank loan among the needy-members.
• To take collective decision on all matters including terms of credit.

• To create confidence among the enterprising members for undertaking income generating activities for investment.

• To educate the members on different social problems and

• To work as a catalytic agent for development of members and the society.

1.7 FORMATION OF SHG

SHG generally go through three stages, viz.

• Group formation (formation, development and strengthening of groups to evolve into self managed people’s organization at grass root level).

• Capital formation through the revolving fund and skill development.

• Taming up economic activity for income generation.

The groups are formed by considering the following guide lines:

• All members of the group should belong to families below poverty line.

• The group should devise a Group Management norms to function.

• The group should prepare an agenda for each meeting and take up discussion as per the agenda.
• The members should build their corpus through regular savings. The savings so pooled will constitute the group corpus fund.

• The group corpus fund should be used to advance loans to the members.

• The members, in the groups meetings, shall take all the loaning decisions through participatory decision making process.

• The group can fix the priorities among the applications, fix appropriate rate of interest and closely monitor the repayment of the loan installments.

• The group should operate a group account so as to deposit the balance amounts after dispersing loans to its members.

• The group should maintain back records like minutes book, attendance register, loan ledger, general ledger, cash book, bank pass book and individual passbooks.

• Under SGSY, a Self Help Group can consist of 10 to 20 members. In the case of disabled persons, this number can be a minimum of five.

• 50% of the groups formed it the each block should be exclusively for the women.

By and large, the SHGs are informal groups. But, the groups can also register themselves under the Societies Registration Act and the State Co-operative Act. The SHGs can be strengthened and stabilized by federating them at block level. This would facilitate regular interaction and exchange of experience from DRDA and other departments.

1.8 PROMOTION OF SHGS
SHGs pass through various phases before getting stabilized to start with SHGs have to stabilize the regularity of meetings, participation of members, maintaining books, regular transactions of savings and lending among members with or transactions of savings and lending among members with or without outside support. The process of stabilization is affected by factors like the span of SHG, awareness of members, interaction among members and activities undertaken by the group.

The pre-formation period of the group may be 1-2 months in which the initial identification of the group is done. Pre-formation work starts with identifying the poor through village survey and meetings of the concerned target members. Estimated time gap between pre-formation and formation is three months. During this period different activities like forming groups, selecting group leader, framing rules and regulations, conduct of meetings, pooling savings, lending small loans and maintenance of accounts are undertaken. SHG members training and animators training programmes are arranged. Literacy and numeracy classes are also undertaken for the members.

The next stage, i.e. stabilization stage, is the core state and in this stage SHGs regularize and increase savings. The stabilization stage can be divided into two, viz., stabilization I and stabilization II. Making regular pooling of funds, handing group level transactions, issuing loans and interacting with other groups, government and private institutions are done during the stage. During Stabilization II, groups are linked to banks and begin to avail bank loan, expand its activities to provide regular loans to members, takes regular income generating activities and offers guidance to form groups. During
this phase, groups begin to involve in common issues. NGOs are expected to reduce their direct interactions with the SHGs so as to make the Group self-reliant. Last phase, the phase of growth the expansion, is between 19-25 months. Social and economic empowerment of members, creation of assets for individual members or groups, close co-operation among different groups are included in this stage. Table1.1

TABLE 1.1

DIFFERENT STAGE OF SHGS

<table>
<thead>
<tr>
<th>Stage</th>
<th>Name of the stage</th>
<th>Time</th>
<th>Major Activities</th>
</tr>
</thead>
<tbody>
<tr>
<td>I</td>
<td>Pre-formation</td>
<td>1-2 months</td>
<td>Identification of the group and members</td>
</tr>
<tr>
<td>II</td>
<td>Formation</td>
<td>3-6 months</td>
<td>Forming groups, selecting group leader, framing bylaws, conducting meetings, pooling savings and lending small loans and maintaining accounts.</td>
</tr>
<tr>
<td>III</td>
<td>Stabilization I</td>
<td>7-12 months</td>
<td>Handling group level transactions, interacting with financial institutions,</td>
</tr>
</tbody>
</table>
### Stabilization II

<table>
<thead>
<tr>
<th>Period</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>13-18 months</td>
<td>imparting training to members etc. Bank linkage, expansion of activities, taking income generating activities and helping others in forming groups.</td>
</tr>
</tbody>
</table>

### IV Growth and Expansion

<table>
<thead>
<tr>
<th>Period</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>19 months and above</td>
<td>Creating assets, bringing co-operation among SHGs and empowering the members socially and economically.</td>
</tr>
</tbody>
</table>

Source: NABARD, 2010

Non Government Organisations (NGO), Government Departments and Banks are the main promoters of SHGs. NGOs play an active role in providing synergy in the group formation and bank linkage. Three models of SHG and bank linkage have been tried in India, viz. Model I (Bank-SHG), Model II (Bank-SHG-NGO) and Model III (Bank-NGO-SHG). In Model I NGOs have no role in credit linking and in II they act as mere facilitators. In Model III they act as intermediary taking loans from banks, lending to SHGs and passing on recoveries to banks.\(^9\)

### 1.9 SHG- THE STEM OF SCHEMES

- **PANCHAYATS**

SHGs which were functioning well had the credibility and the power to ensure their participation in identifying, planning, budgeting and in the implementation of Panchayat Raj programmes for their villages. Leadership training received in the SHGs has also enabled them to participate effectively in local panchayats. The

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\(^9\) Study on Performance of SHG in India
significant number of SHG women as panchayat leaders and ward members were proof to this phenomenon.

- **COOPERATIVES**

  SHG promoted the women to expand their work regime from mere micro-finance to cooperatives and small-scale industries. The financial availability offered opportunity to budding entrepreneurs. The efforts of entrepreneurs resulted in the All Women Milk Cooperative Society, Cooperative Banks, and Cooperative Society for Vegetables and Fruits, etc.

  Dubhushi (2000) examines the empowerment of women in Cooperative societies of Maharashtra. Though women could play a valuable role in the cooperatives, their place and presence is marginal. This gap and deficiency would be obliterated with more affirmative action like adequate representation of women from the grassroots to the highest level of the movement, greater access to education and training, improved Human Resource Development (HRD) strategy focused on women’s participation and commitment to the top management. Bhatt (1989) describes the plight and struggles of self-employed women in Gujarat, India, to demand worker’s rights and to overcome injustice. Central to the empowerment process are the strategies of struggle and development; struggle entails fighting for one’s rights and interests through the trade unions, while development involves building alternative economic structures such as co-operatives.
Jayesh and Venkatakrishnan (2001) in their attempt to study Women’s Empowerment in Madhya Pradesh Portray that the Jhabua District administration’s effort to start income generating activities for tribal women of this district had been the saga of their empowerment. The production of low cost, fortified food supplement of the beneficiaries of the ICDS was taken up by village women’s groups on Jhabua. Village women’s groups have engendered enthusiasm and self-confidence through income generation. These 152 women have registered themselves under the name, “The Amrut Mahila Audhyogic Cooperative Society Limited’. Social campaigning, village level meetings, formation of core-groups and training programmes were few of the strategies followed by them. However the authors denote that long-term sustainable changes depend on constant monitoring, evaluation, Government policies and the dynamic documentation.

1.10 DISCIPLINE-SHG WATCHWORD

Discipline has been watchword in the successful SHGs. Attendance was compulsory and a member who was absent was fined up to Rs.5. however, leave could be taken on genuine grounds. Medical leave was also sanctioned judiciously. If the ailment was not serious enough, the absentee had to pay the fine. Late comers had to pay Rs.2. Failure to pay the bank deposit or loan installment also attracted fine. Consequently loan recovery was 95-100 per cent (TH, 2001, Apr 15:p. II & Nov 6, 2000: p.5). it had proved high credit-worthiness of the women and paved way for the growth of SHG movement. Groups that had been lenient in their rules and regulations had functional difficulties.
1.11 LINKAGES TO BANK

SHGs which were organized by either NGO or GO had to be linked to the commercial or nationalized banks to get financial assistance. If not even with higher performance they would not be able to avail themselves of the loans (TH, 2001, Feb27:p.5). Thus SHGs provide the individual woman or women as a group to create assets. It is done, based on the strategy, to provide each of its members opportunity to improve their personal and public life economically. Some of the funding agencies which help SHGs are NABARD, RMK, SIDBI, HUDCO, HDFC, SGSY, FWWB (Friends of Women World Banking, Ahmedbad), and Co-operative Banks. (Mutram, Jue 2001: p.18). Individual loans, group loans and revolving funds were offered.

1.12 INDIVIDUAL DIMINUTIVE LOANS

The characteristics of credit needs of the poor women were small, frequent, urgent and unpredictable (Kapoor, 1999: p.9). Most of these loans had been utilized for consumption purpose, namely food, marriage, religious festivals, medical and other household expenses. Besides a limited number of them had used it for Income Generating Programmes (IGP) such as the purchase of a goat, milch animals, poultry, bullock cart, fertilizers and electric motor. In most of the cases, though it had met their immediate needs it could rarely create a regular source of income for the group members. On the other hand there were SHG women who took loans by mortgaging their lands and redeemed them, while a few had even purchased land (TH, 2001, Apr 15: p.ii).
1.13 GROUP VENTURES

Real empowerment of women could be achieved only through creating opportunities for realization of collective strength (TH, 2001, Mar 20: p.5). The willingness of officials to entrust the fair price shops or PDS shops had increased their self-confidence. By November 2000, 18 fair price shops were handed over to women in Nagapattinam district (TH, 2000, Nov 26: p.3). Another four SHGs had sought permission for setting up a fair price shop in Pudukurichi village of Alathur block (TH, Mar 23, 2001: p.3). A conglomerate of six SHGs in Venmakondam had planned to run a mini-bus service in their area (TH, Mar 23, 2001: p.3). While SHG women near Tiruchi had made it a reality by owning a mini-bus playing between Mannachanallur and Movalur (TH, Jan 9, 2002: p.3). Another SHG was helped to get a mechanical dry cleaning centre at a cost Rs. 2.5 lakhs (including a subsidy of Rs. 1.25 lakhs) under SGSY through DRDA (TH, Aug 14, 2001: p.3).

1.14 SUPPORT FROM MEN

Women could be successful only by collaborating and cooperating with their counterparts. But men who refused to welcome their changes, treated women violently. Gradually these men who were considered as the last hurdle had become supportive of the women’s group works. The unemployed men acknowledge that their wives were the main breadwinners in the family (TH, 2000, Nov 9: p.5). The Success of Women had also motivated men to organize SHGs for themselves (TH, 2000, Nov 21: p.5).
1.15 ROLE OF SHG MEMBERS

- Promptly attend SHG meeting.
- Fully participate in SHG meeting and voice opinion clearly and freely.
- Share responsibility of SHG collectively like going to banks by rotation etc.
- Prompt repayment of SHG loans.
- Participate in village and social action programmes.
- To ensure unity and mutual trust between all members and adopt the principle of ‘give and take’.
- Ask questions/doubts openly and ensure that the SHG functions transparently.
- Attend training programmes.
- Share problems, experiences and ideas with all members of SHG.

Although SHGs can be for men, women and men and women combines, SHGs of women constitute about 90% of the groups functioning in country.

1.16 RESEARCH DESIGN

1.16.1 STATEMENT OF THE PROBLEM

In the present economic scenario, there is great threat of the widening of the gap between the haves and have notes. In a democratic country like India, this gap cannot be permitted. The economic, social and overall development of the nation will be of little significance if millions go starving. There should be constant effort on the part of the government to uplift the poor until they are able to attain a reasonable standard of living.
Tamilnadu is no exception to this. Though Tamilnadu accounts for 2.3% of India’s total land area, population accounts for 4.7% of India. According to 2011 census, rural population of Tamilnadu accounts for nearly 40% of the state population and majority are dependent on weak productive assets and wage employment. Majority of the poor in Tamilnadu belong to the labour households; they are either asset less or asset poor. Demographic pressures in Tamilnadu is one of the highest in India.

The experience of Tamilnadu shows that despite several achievements, many of the government programmes have failed to consider certain issues and to target all the poor under their programmes. There is a considerable section of the rural poor who are neglected by formal banking sector and other credit delivery system. There is the need to recognize that the poor are bankable and are likely to have better appreciation of their socio-economic situation. The activities of SHGs have emerged as a sustainable approach to make credit facilities available to the poor at their door steps. Success of SHGs exclusively depends on how members co-operative with the groups and among themselves. Hence it is essential to evaluate the working of SHGs in Tamilnadu and how far they have succeeded in achieving its objectives and in empowering members. This study is highly significant in this context.
1.16.2 OBJECTIVES

The main objectives of the study are:

The main objective of the study is to evaluate the working of Self Help Groups in Tamilnadu. The specific objectives are:

1. To identify the SHGs to encourage to earn themselves and mutuality to women in promotion of handicrafts products.

2. To know the basic amenities like safe drinking water, electricity, education and healthcare.

3. To enhance the economic and social status of SHG members as family and society level.

4. To study the problems of SHG members in their individual life and their earning business.

5. To suggest suitable remedies for their entire problems in the study area.

1.16.3 HYPOTHESIS

1. There is relationship between SHG members and participation of the group meeting.

2. There is a positive relationship towards SHG supports to the group’s members.
1.16.4 METHODOLOGY

The study was empirical and analytical. It was empirical and analytical regarding analysis and interpretation of collected data. The present study was covered the Sivagangai district of Tamilnadu. Sivagangai district consists of 1402 SHGs during the period 2010-2011. The study were covered both primary and secondary data. The secondary data collected from various published and unpublished sources. The primary data were collected with help of specifically prepared interview schedule.

1.16.5 SAMPLING DESIGN

For the purpose of study, SHGs linked with banks were taken. Since 98% of SHGs in Tamilnadu are formed for women, such SHGs were taken. The largest number of SHGs in Tamilnadu are concentrated in Sivagangai District. Only those SHGs which have at least 3 year existence are taken under the block. There are 650 SHGs are only having 3 years existence. Then the research has selected 5 SHGs from each block (30 SHGs) out of 600 SHGs. There are 300 respondents had been selected at randomly in which 10 respondents from 30 SHG.

The researcher has analysed type the questionnaire from animator also. There are 100 animator have been chosen by the simple random sampling from 30 SHGs in the study area.
Both primary and secondary data were used for the study. The primary data were collected by using pre-tested interview schedule. Secondary data were collected from various published and unpublished sources. The collected primary data were statistically processed, classified and tabulated by using appropriate methods. Simple analytical tools like percentages, averages, ratios, empowerment index and anova, t’test etc. were used for analysis.

1.17 SCHEME OF THE REPORT

The study is presented in five chapters

The First chapter gives an introduction to SHGs Statement of the problem, objectives and methodology of the study and Tamilnadu.

The Second Chapter is on Review of Literature and Research Design. This chapter covers full detail of self help groups, functions of SHG etc.

The Third chapter provides the profile of Sivagangai District. It includes population, seasonal condition government programmes for SHG etc.

The Fourth chapter covers various aspects of SHG in India and Tamilnadu.

Socio economic aspects of group members and measuring the empowerment constitute the core the Fifth chapter.

A summary of Findings and Suggestions emerged from the study and emerging issues is incorporated in the Sixth chapter.
CHAPTER –II

REVIEW OF LITERATURE

Elimination of poverty is one of the main objectives of Indian development strategy. Successive governments have been introducing various schemes for the upliftment of the poor. But the benefits of these schemes have not yet reached to the poor. Various models and innovative products have been practiced in India by various agencies in pursuit of augmenting their outreach to the poor. Micro finance is one such endeavour. There are various models for delivering financial service under micro finance. The successful experience in the Gramin Bank of Bangladesh inspired the introduction of micro finance through SHGs or linkage banking in India. Several studies under this topic were conducted in India by academics and organizations. But in Tamilnadu SHGs are by and large, an unexplored areas of study. This chapter is an attempt to review the contributions provided by eminent authors on self help groups.

Aloysius Fernandez P, Mamata Krishna, Sallela Patkar and Vidya Ramachandran\textsuperscript{10} (2001) in their study on the section on learning process, methods and activities also specified certain key questions, which may be used to facilitate a brainstorming exercise, guided dialogue or group discussion. Some of the key questions have indicative answers, which are basically a checklist for the trainer of the kind of answers one expects to elicit from the participants.

The paper by *Malcolm Harper*\(^1\) is first in the series of discussion papers to generate a debate on the role, limits and efficacy of the two major approaches of microfinance intermediation that are realized through the Grameen and the Self Help Group (SHG) systems especially within the prevailing socio-economic context in India.

*Robert Peck Christen*\(^2\) (2001) the paper divided into two parts aims to clarify the different steps in the financial evaluation process of Microfinance industry. The first section discusses the key elements involved in the financial disclosure and evaluation of Microfinance Institutions, while highlighting various transparency initiatives that are taking place. The second section summarizes challenges and next steps towards building transparency in the Microfinance Industry.

*G.S. Kala*\(^3\) (1992) found that income and employment of the beneficiaries of TRYSEM have increased and suggested that co-ordination among the implemental agencies of TRYSEM are essential.

Studies on SHGs by *Prem Kumar and Rahul*\(^4\) (1992) reviewed the success of development projects and how far the beneficiaries are benefited. They found that all the beneficiaries had crossed poverty line by participating in SHGs and improved their socio-economic status.

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Erhard Kropp W and Suran B.S.\textsuperscript{15} (2002) the paper views Self Help Group banking as new dimension of quality portfolio with very low risks and with marginal increase in operating costs. Being predominantly women focused, Self Help Group banking is the first step towards feminization of the micro banking the poor does spark off the entrepreneurial enthusiasm, risk mitigation mechanisms in low income households; it also serves as entry road to overcome poverty and addressing other crucial social concerns.

Malcom Harper\textsuperscript{16} (2002) the study examines and compares the different ways in which Self Help Promoting Institutions promote Self Help Groups in order to enhance the efficiency and Quality of the Self Help Group promotion process. The study concludes that the co-operative should be replaced by Self Help Group members’ own initiatives.

Case studies on SHGs (1997) conducted by Dr. K.P. Kumaran\textsuperscript{17} showed that the group approach through SHGs is one of the best approaches for the socio-economic development of the rural poor. As the role of NGOs in promoting groups is limited, the government agencies should take keen interest in promoting such groups among the poor. Though several measures have been taken by the government to link the SHGs with financial institutions, the number of such groups is low. So he suggested linking SHGs with banks and other financial institutions.

\textsuperscript{15} Kropp, Erhard W and Suran B.S. “Study of linking banks and Self Help Groups in India”, NABARD, 2002.
\textsuperscript{16} Harper, Malcolm, Role of SHPIs in Promotion of Self Help Groups. NABARAD, 2002
\textsuperscript{17} Kumaran K.P. Case Studies on Self Help Groups, NIRD, 1997.
Lalitha. N\textsuperscript{18} (2003) The Book examines in details the leadership qualities of the office bearers of the Self Help Groups, Perception of Self Help Group members on leadership initiative, savings pattern of Self Help Group Members and the factors which favour/hinder the repayment behavior of the members.

Shylendra H.S.\textsuperscript{19} (1998) the paper attempts to evaluate the performance of eight women’s Self Help groups (Self Help Groups) promoted in the Village Bidaj by the Institute of Rural Management, Anand (IRMA) under an action research project called ‘Model Village, project. The study points out that though the Self Help Groups could be created fairly easily, overall they failed in the first three years of their existence to enable members to realize their potential benefits. As result, the Self Help Groups failed to make and significant impact on the socio-economic life of the women members.

\textit{NABARD}\textsuperscript{20} (2003) The report covers impact evaluation carried out by National Bank for agriculture and rural development covering 560 Self Help Group Member households from 223 groups spread over 11 States. The evaluative study reveals that there have been perceptive and wholesome changes in the living standards of the Self Help Group members in terms of ownership of assets, generating assets and in income levels.

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Study conducted by South Malabar Gramin Bank\textsuperscript{21} (1998) on ‘Monitoring Study on SHGs’ examined the progress of the programme since its inception in Malappuram and Calicut districts. The study found 60\% of the bank-linked groups were rated as excellent. The study identified; lack of monitoring, lack of commitment among co-ordinators due to non receipt of allowances which they had been formerly receiving and static performance of groups; as weaknesses in the functioning of CDS.

\textit{Kurt Back W. and Rebecaa, C. Taylor,}\textsuperscript{22} (1976) with the significant increase in the visibility of Self Help Groups, one may rightfully question whether these groups represent a social movement and if so, what kind of social movement. In order to find their place within the society as well as within a study of social movements, the paper describes their similarly to other social movement, distinguishes Self Help Groups from other movements, and shows their unique characteristics in the present-day society, with reference to the work of several social anthropologists.

\textit{Nitin Bhatt and Shui-Yan Tang}\textsuperscript{23} (1998) To be financially viable, group based micro lending needs to economise transaction costs for both lenders and borrowers. Groups lending programmes vary in their transaction cost characteristics depending on these specific credit delivery arrangements and social contexts. The article illustrates these arguments by examining the challenges faced by various group lending programmes worldwide. It also examines how social capital affects transaction costs and

\textsuperscript{21} South Malabar Gramin Bank, \textit{“Monitoring study on SHGs”}, Kerala, 1998.
operations of three typical group lending arrangements-group loan with joint liability, individual loan with joint liability and individual loan with individual liability.

*Kiberly Wilson and Marc D’silva*24 (2002) throughout India- floods, cyclones, drought, earth quakes and landslides threaten te survival of rural households. Natural disasters quickly turn into emergencies for poor families because of their, extreme physical and socio-economic vulnerability. Traditionally conventional responses by the relief services providers-government institutions, donors and local Non-Governmental Organizations-focused on responding to an emergency as it happens. Shortcomings of this approach are disaster becoming an emergency, responses often excluding women’s priorities, local markets becoming depressed, uncoordinated logistics and non utilization of local resources.

*Ramana Rao D.V.V.*25 (2001) Assessing the functioning of women Self Help Groups the study points out that Self Help Groups have spread their reach by serving larger clientele with some amount of credit but financial deepening of credit system through Self Help Group movement still remains a far cry. Further there seems to be tendency among Self Help Group members to borrow from various agencies, which may lead to repayment problems due to multiple financing. In this context the study suggests that the policy to integrate Self Help Groups within mainstream banking should receive

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greater attention. This alone can strengthen the process of integrated credit flow for productive cum investment purpose on a sustainable basis.

V. Puhazhendi \(^2^6\) (2000) conducted a study to review the progress of SHG-Bank Linkage programme in Tamilnadu and to assess the socio-economic impact of the programme on the group members. The study revealed that SHG-Bank linkage programme registered a significant growth, both in terms of coverage and the outreach of credit to the poor. The participation of women in SHGs made a significant impact on their empowerment both in social and economic aspects.

Study conducted by Kamal Vatta and Paraminder Singh \(^2^7\) (2000) on the performance of SHGs in Punjab revealed that about 85% of BPL groups are eligible to get bank loan but only 5% of them could get it. Undue delay in sanctioning of loans should be eliminated to achieve the economic upliftment of the poor.

Alagumani. T. and Anjugam.M. \(^2^8\) (2000) in their study on “Impact of micro finance through SHGs – A case study” revealed that SHGs helped the members to use the loan productively and repayment was 100 percent. According to them, correct group formation would create a positive impact on all aspects.


Study conducted by National Institute of Rural Development\textsuperscript{29} (2001) on “Micro finance for Micro Enterprises” in four states revealed that SHG led micro credit movement and micro enterprise development leads to poverty alleviation in rural areas. The study also demonstrated that, of the three self help promoting institutions, the NGOs are better equipped for capacity building of SHGs for micro credit movement. The study also brought out that SHG led micro credit movement served the cause of women empowerment, social solidarity and socio-economic betterment of the poor in their own setting.

A study on “the SHG-Bank Linkage Programme: An assessment and future strategies” by H.S. Shylendra\textsuperscript{30} (2002) showed that the prospects for the poor to obtain their due share in the formal finance appear better under the SHG-Bank Linkage Programme. But the programme still has a very long way to go if it has to become the core strategy of the banking sector. The key to the success of this programme lies in retaining the basic character and strength of SHGs along with integrating them appropriately with outside systems to meet the needs of the members in an endearing way.

Jaya S. Anand\textsuperscript{31} (2002) conducted a study on “Self help groups in empowering women: Case study of selected SHGs” to examine the performance of selected SHGs and NHGs (Neighbourhood Groups) and to assess its impact on women empowerment. In her

study she found that all members unanimously agree that the most striking advantage of SHGs was the thrift component which acted as an ‘informal bank at their doorstep’. Many of them had savings ranging from Rs.275 to Rs.4850 in their bank accounts which they could have never dreamt of earlier. According to her, the concept of group activity is gradually catching up, but delivering credit alone may not produce the desired impact. The supporting services and structures through which credit is delivered are critical to make the group activity strong and sustainable.

*K.P. Kumaran (2002)*[^32] conducted a study on SHGs in Pune district to document the experience in SHGs in promoting micro enterprises through micro credit intervention. To conduct the study, SHGs promoted by NGOs, Banks and DWCRA were taken. According to him, though economic status of members is improved after joining the group, social functioning well. His study pointed out that due to technical training and escort services provided to entrepreneurs, the micro enterprises set up by SHGs, promoted by NGO and bank are more viable compared to DWCRA promoted by DRDA.

*Sreedhar Seetharaman*[^33] (2002) made an attempt to review the performance of SHGs being implemented by Government and NGOs. He observed that NGO and government should work together to overcome their fear and mistrust of each other. He concluded that NGOs can play a catalytic role. As long as government poverty alleviation efforts are characterized by the top down implementation, NGO effort would help to take

account of local realities, local needs and constraints. He argues that NGOs can do a great deal to innovate, to complement and in places to supplement, government effort.

*Bekkram, K. Pattanaik*[^34] in their article, “Empowerment of women and rural development” published in Yojana has pointed out women’s participation in work, education, health and political activities.

*T. Chairanjeevulu*[^35] in his article, “Empowering Women through Self-Help Groups” published in Kurukshetra, has pointed out the employment of women in different spheres of life.

*T.R. Gurumoorthy*[^36] in his article, “Micro-finance in Kerala” studied the community development and the society model form of the poor women of Alappuzha. It is evident from this survey that those members who have some unit/activity earlier, could use the micro-credit effectively for expansion / modification and they had reaped the maximum benefit. In some cases, failure of group activity led to financial crisis and imbalance for all the members while it did not have complex individual activities. He has suggested that unless the group is given technical/skill training, individual micro-units may be preferred in the initial stages. It was observed that a few women were dominating groups.

C. Krishna Mohan Rao and B.V.V. Bala Krishna\textsuperscript{37} in their article, “Empowerment of Women through Literacy” published in Kurukshetra have pointed out importance of education to poor women.

V. Manikkavasagam\textsuperscript{38} in his article “Women and Credit” published in Kisan World has pointed out schemes exclusively meant for women.

S. Mohan\textsuperscript{39} in his paper “Micro-credit and Empowerment of women-Role of NGOs discussed the micro-credit relevance to women and their empowerment, historical perspective of the involvement of women in the thrift and credit activities. The role of NGOs is more significant and pronounced in the sphere of micro credit”.

R.K. Ojha\textsuperscript{40} in his article “Self Help Groups and Rural Employment” published in Yojana has pointed out that self-help group’s model of self-employment-generation seems to be a workable model. However there will be the need for promotion of self-help groups.

Om Raj Singh\textsuperscript{41} in his article “Role in NGOs in fostering self-help groups” published in Kurukshetra has discussed the rural poor women’s development.

S.K. Panda\textsuperscript{42} in his article “Micro Finance in economic empowerment of weaker sections” published in Yojana has discussed the major challenge before the nation today


and suggested evolved of an appropriate strategy for mobilizing the human resources for optimizing the use of the available financial resources.

*P. Puyalvanan* ⁴³ (2001) in his article “Micro-finance and women’s empowerment through CRUSADE” has studied the centre for rural systems and development (CRUSADE), a non-government organization which has opted to work with women and children, as they are considered the most vulnerable sections of the community. CRUSADE played a different role by conducting a survey to assess the economic status of the families to ensure involving of only the poor households in the group. An evaluation of the composition of the members reveals that nearly 80 per cent of the members are illiterate and work as agricultural labourers. About 77 per cent of them lie in the sheds and most of the households do not have major assets. Ten per cent of women members are widowed /deserted and 20 per cent handicapped. A two-day residential training for 30 women, organized by CRUSADE, encouraged at least one SHG to effectively control illicit liquor brewing in its village.

*Punithavathy Pandian* and *R. Eswaran* ⁴⁴ in their article “Empowerment of women through micro credit” published in Yojana have said that the targeting women for credit programmes began to receive serious consideration at the international women

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conference in Mexico city in 1975. In India, this universal concern found recognition in the sixth plan. (1980-85).

Prasant Sarangi\textsuperscript{45} in his article “Self Help Group” published in Kurukshetra has pointed out the experiment in Orissa. Moreover he has made a successful study of SHGs.

Sakuntala Narasimhan\textsuperscript{46} in her paper “Empowering women” opines that empowerment in the real sense of quality of life, does not necessarily ensure rising money income or longer life spans. It is awareness rather than conventional schooling or education in terms of degrees or number of years in class rooms that makes a vital differences. She also feels that infusing them withhlpe and enthusiasm in the inner layers of their psyche of thousands of our women, irrespective of their educational achievements or economic status can show their mettle, as useful and productive citizens eager to contribute their mite to the national effort.

M. Sheik Mohammed\textsuperscript{47} in his article, “SHG for the success of women entrepreneurs” published in Kisan World has discussed the Women’s contribution to modern business.

Samar Datta K and Raman M\textsuperscript{48} (2001) The paper makes an attempt to study the age and size of Self Help Groups along with a brief discussion on the socio-economic conditions of 355 members of 30 women self help groups under Rastriya Seva Samithi at

Tirupathy in the state of Andhra Pradesh, and discuss the performance of Self Help Group in terms of savings mobilization, lending operations, sources of finance, recovery etc. the paper also has worked out two regression models to find out the major determinants of (a) Self Help Group net income per member and (b) average monthly income of members in Self Help Groups. The equations were estimated with qualitative and quantitative variables.

*Dwarkanath H.D.* (2002) The women led Self Help Groups have successfully demonstrated how to mobilize and manage thrift, appraise credit needs and enforce financial self discipline. The study of Self Help Groups in Ranga Reddy district in Andhra Pradesh shows that a total corpus fund of Rs.53.37 crores is available with the group which constitute 12,309 in number covering 1,72,000 women and an external fund of 43.74 crores has been advanced to the group. The paper presents the effectiveness of these groups with linkage programme and awareness among the rural folk about the significance of women empowerment and rural credit.

Todd Farrington (2000) the paper analyses performance of 22 microfinance institutions in Latin America and identifies factors that contribute to and hinder efficient Microfinance. The various measurements used to determine efficiency namely administrative expense ratio, number of lo loans per loan officer and ratio of loan officers to total staff are defined and five important efficiency drives namely portfolio size, loan

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size, lending methodology, the source of funds and the salary structure are explained. The study concludes that the final objective of efficiency is to remain both profitable and competitive.

*Marie Godquin*\(^{51}\) (1909-1926) the aim of this article is to produce a comprehensive analysis of the performance of Microfinance Institutions (MFIs) in terms of repayment. The paper focuses its analysis on the impact of group lending, non-financial services and dynamic incentives on repayment performance. In the second section of the paper, a comparative analysis of the determinants of the repayment performance and of loan size is carried out in order to make policy recommendations on the allocation of loan by MFIs.

*Martin Greeley*\(^{52}\) (2003) the article has reviewed the various methodologies of assessing the performance of Microfinance. Major international partners and Microfinance network work on the development of impact assessment tools that address specific dimensions of poverty outreach. The paper also points out that CGAP has developed and implemented a relative poverty targeting tool and synthesizing this approach with absolute poverty measures.


Malcolm Harper\textsuperscript{53} (2003) the paper attempts to describe the Grameen Bank groups and Self Help groups and Compare their sustainability, their outreach and impact on the poor and their institutional feasibility. The paper concludes that it is unnecessary to introduce the Grameen system in India since the banking network already exists. What is needed is a system for reaching the poor, which demands the minimum of institutional change and the SHG system serves the purpose.

Ritu Jain, Kushawaha R.K. and Srivastava A.K.\textsuperscript{54} (2003) the paper analyses the operational mechanism and impact of Self Help Groups on Socio-economic status of 25 groups selected randomly from five blocks of Kanpur Dehat district. For comparing the impact of SHG on Socio-Economic aspects, 250 non-members were selected interview schedules were used to collect data and percentage, mean and chi-square have been used to find out the significant levels of the impact of Self Help Groups on socio-economic status.

Ranjith Karmakar, Bholanath Ghosh\textsuperscript{55} “(2002) the paper compares that features of co-operatives and self help groups and brings out the similarities of both. The study coves 20 groups in one village of Midnapore district and observes that Self Help Groups enhance the status of women as participants, decision makers and beneficiaries and bring


out the supremacy of women in moulding the community in right perspective and explores and initiative of women in taking up entrepreneurial ventures.

_Crispino Lobo and Marcella D’ Souzz_ (1999) the article describes the process and principles around which the capacity building approach, also called the participatory Operatonal Pedagogy (POP) has been designed and formulated for implementing the Indo-German Wastershed Development Programme (IGWDP) in Maharashtra. It also describes briefly the gender oriented POP followed in mainstreaming gender and women in watershed development as well as experience gained.

_Manimekalai N and Rajeswari G_ (2000) the paper makes an attempt to find out the socio-economic conditions of Self Help Group women in rural micro-enterprises, examine the nature of economic activity and their performance in rural Tiruchirapalli, identify the problems and prospects of such micro enterprises or rural women and to analyse the contribution of Society for Education Village Action & Improvement (SEVAI), the sample Non-Governmental Organization in Tiruchirapalli for the promotion of Micro-Enterprise through Micro-credit.

_Mishra R.K._ (2000) the paper makes an effort to measure the success of micro-credit intervention in India vis-à-vis Orissa, to study the trends in growth of Self Help Groups, to analyse the linkage of Microfinance with the group formation and its

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implementations and finally to suggest appropriate policy measures for strengthening Microfinance activities.

*Paul Mosley*\(^5\) (2003) the paper classified micro insurance organizations functioning in Asia, Latin America and Africa. The paper argues that micro insurance is a fundamentally paper argues that micro insurance is a fundamentally good idea but one which is dependent on agents external to the typical market process. As a consequence there is a case for subsidy- however there is also a case for regulation because the protective motive of insurance appeals particularly to the poorest people.

*Luftun Osmani, N. Khan*\(^6\) (1998) this study examines the impact of credit on the relative well being in Grameen Bank’s credit programmes using a bargaining model of the household. As extended by Amartya Sen, well being has been defined in terms of three sets of capabilities (1) Autonomy (2) Control over decision making within the family and (3) Relative access to household resources.

*Hemalatha Prasad*\(^7\) (1998) The principal objective of the projects on women development programme sponsored by International fund for Agricultural development (IFAD) is empowerment of rural women by organizing them into Self Help Groups. This paper describes the implementation International Fund for Agricultural Development assisted SHG programme in 11 blocks of Salem district, Tamilnadu. The process of

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group formation, group activities, training process, selection of income generating activities, sanction of loan and subsidy, supervisions and monitoring of the groups have been elaborately dealt with.

Dirk Reinhard\textsuperscript{62} (2006) Micro insurance offers poor people protection from risks, such as destitution caused by illness, despite widespread doubt among experts, the insurance industry can serve poor people even if they have irregular income. The paper narrates various micro insurance models – the partner/agent model, co-operative model, community models and direct sales model and points out that though there are specific challenges, case studies of various models have shown that they can be overcome.

Satish P\textsuperscript{63} (2001) the focus of the paper is in analyzing the composition of the groups, process in Self Help Group formation and to identify the initial resistance faced at the time of their formation and how they were overcome. The study was undertaken in Karnataka, Maharashtra and Uttar Pradesh. The study covered groups formed by Non-Governmental Organisations and Banks.

Frances Sinha\textsuperscript{64} (2005) the MFIs selected for the study include main models of Microfinance delivery and their relative presence in different regions of India. The study covers Andhra Pradesh, Tamilnadu, Kerala, Karnataka, Uttar Pradesh, Rajasthan, Assam and Manipur. The Paper analyses the Performance of twenty MFIs from across the