CHAPTER-II

WOMEN EMPOWERMENT IN INDIA A REVIEW OF LITERATURE
A comprehensive review of literature is essential for any good research endeavor as it provides background information to aid the researcher in designing and analyzing the research work. An attempt is made in this chapter to give a brief account of literature related to socio-economic development of women, women empowerment with reference to Self-Help Groups (SHGs) and the impact of SHG programme on women empowerment and poverty eradication. Hence this chapter, therefore, examines the contribution of relevant literature to empowerment of women. The review of literature has been presented in four sections. They are: studies based on women empowerment and employment through SHGs, studies based on economic development and SHGs, studies based on women empowerment through micro finance, and studies based on poverty eradication through SHGs.

2.1 Studies based on Women Empowerment and Employment through SHGs

Chandran M (2012) examined the role of SHG linked micro enterprises in empowering the women in Tamil Nadu. For this study 150 beneficiaries were chosen randomly from a total of 20 group micro enterprises. In this study an attempt was made to measure empowerment in four aspects of economic, social, family and individual empowerment. The study finds that there is a significant increase in economic empowerment and the extent of social and family empowerment achieved by the beneficiaries were moderate and individual empowerment through micro enterprises of respondents were high. Finally, he stated that the group enterprises have succeeded in the socio-economic empowerment of rural poor.

J P Shanthi Ezhil Ida (2012) studied the impact of SHGs on income of women after joining the Self-Help Groups in three urban and three rural blocks out of 19 blocks in Tirunelveli district in Tamil Nadu. For the purpose of the study 120 women members selected as the sample respondents from 20 SHGs out of the total SHGs of six blocks. The study finds out the total respondents that are 100 per cent having the income generating activities. Majority of the respondents, 22.50 per cent are involved in preparing snacks and Tiffin followed by grinding flour constitutes 16.67 per cent, handicrafts 15 per cent, making detergent soaps and powder 12.50 per cent, petty shops 10.83 per cent, tailoring 10 per cent, vegetable selling is 7.50 per cent and beauty parlor constitutes 5 per cent respectively.
The study reveals that majority of the households, 95 per cent were concentrated in the income group between Rs. 10,000 to Rs. 15,000. Only 5 per cent households have monthly income above Rs. 25,000. The variation in the income levels is due to the differences in the sources of income. In the study the simple linear regression equation \( Y_i = a + bX_i + U_i \) by ordinary least square method applied for testing the hypothesis; the income of the women members does not have any significant influence on household income. The result shows that the co-efficient of women member income (X) and the \( R^2 \) value are statistically significant at 5 per cent level. This is clearly implies that the income of the women members influences the total household income.

Patil R M (2012)³ assessed the impact of SHGs-Bank linkage programme on socio-economic status of the 800 sample SHG members in Bijapur and Bagalkot districts in Karnataka. The present study reveals that the financial assistance provided the SHGs for the development of social-economic status are found to reach the economically marginalized and socially backward members. The SHGs have been working in appropriate direction in eradicating the poverty of the rural poor and in the empowerment of the women in the study area. This study find out that women share in rural employment has increased significantly but it is still much lower with compared to other areas. Therefore, there is a need to encourage more SHGs to provide development funds to the neglected target groups in this region.

Sreenivasa Rao D and Jayaraju G (2012)⁴ evaluated the empowerment of women through Development of Women and Children in Rural Area (DWCRA) programme in Rayalaseema region in Andhra Pradesh. The collected sample for this study consists of 216 group leaders and 2400 group members. The study find out that the average employment generation after the implementation of DWCRA programme is higher in Ananthapur district (123 employment days) as followed by Kadapa (112), Kurnool (85) and Chittoor (75) districts. There is a significant increase in the income in the study area. Hence, the study concluded that the impact of DWCRA programme on employment generation is positive in the Rayalaseema Region.

Amith Roy and Sumanash Dutta (2011)⁵ conducted a study in Karimganj district of Assam to identify the factors that affect most the women empowerment. The study examined the cases of 120 SHG members of 40 matured SHGs of different
development blocks of Karimganj district and it is found that participation and involvement of women with SHGs have increased women’s empowerment in a spectacular proportion. The study confirms a better standing position of women in the family and outside because of their involvement in SHG related activities over a period of only four years.

Barani G and Dheepa T (2011)\(^6\) studied about emancipating SHG women through Entrepreneurship in Erode district of Tamil Nadu. The study has brought out entrepreneurship of women has enhanced their economic status and decision making power. That puts high responsibility on the women entrepreneurs to be aware of opportunities available to them to make further advance. Women entrepreneurs are aware of opportunities available to them, but there is scope for improvement in it. Economic status, self worth, self confidence and social status of women entrepreneurs are the variables that define empowerment of women. Finally the study concluded that SHG women with entrepreneurial qualities dominate the success of women empowerment.

Malhotra (2010)\(^7\) worked on “Measuring Women’s Empowerment: Participation and Rights in Civil, Political, Social, Economic, and Cultural Domains”, found that there have been many attempts to measure women’s empowerment in the development field, but these have had various shortcomings. In Malhotra’s view empowerment is defined as a multi-dimensional process of civil, political, social, economic, and cultural participation and rights. To analyze these, framework using six key domains is presented. These are used to assess women’s (referring to an active social, condition) capabilities (preconditions for the enjoyment of rights and enhancement o participation). The domains are: social-demographic indicators, bodily integrity and health, literacy and educational attainment, economic participation and rights, political participation and rights, cultural participation and rights. Indicators include: life expectancy at birth, sexual and physical abuse against women, literacy rates, amount of maternity leave, and number of feminist publications in the print and electronic media. The above said literature provides much information on women SHGs at macro level in India.

Rajendran K and R P Raya (2010)\(^8\) assessed the capacity building and improvement in knowledge and awareness based on 15 variables with reference to
450 SHG members, 225 respondents from each block representing 90 SHGs in Natrampalli and Nemali blocks in Vellore district of Tamil Nadu. Self confidence, courage to face problems, skill development and encouragement in decision making were assessed under capacity building. To assess the improvement in knowledge and awareness, eleven variables were used namely health, education, pro poor programmes of Government, role of Non-Governmental Organizations (NGOs), marketing of products and environmental protection. The study find out that there is a significant difference between the two block’s members regarding the impact of microfinance on capacity building of women at one per cent level. The study reported a significant relationship between the loan amount and improvements in awareness and capacity building and the conclusion is that the higher the loan amount the higher the capacity building of rural women.

Meenu Agrawal and Shobana Nelasco ed. (2009) have opined that Self-Help Groups plays a crucial role in promoting thrift and finance mobilization. The existence of SHGs helps empowering women and the poor. In Tamil Nadu, introduction of SHGs were in three different phases. In 1992-93, there were 22 SHGs in Tamil Nadu. From 1998-99, there is a steep rise, it rose to 2,633 SHGs. In 2001-02, it reached to 27,539 SHGs. They have used Regression line for the analysis. They stressed that in Tamil Nadu SHGs are growing at a faster rate in South Tamil Nadu when compared to North Tamil Nadu. The compared growth rate of SHG in Tamil Nadu is 124 per cent, where as the growth rate of SHG in India is 119 per cent.

The study finally concluded that, SHGs are still weak and are yet to train themselves in the field of microfinance. At present SHGs are shelters of illiterates and hence efforts can be made to attract the educated unemployed also. Through marketing and canvassing mechanism, efforts should be made to attract more educated members.

Arjun Y Pangannavar (2008) has suggested Self-Help Group programme is the right approach to create self-employment opportunities so as to supplement the income and assets of the rural poor. The SHG programme provides the rural poor women the access to micro-credit. It encourages rural women entrepreneurship and rural women empowerment. To resume the SHG programme is the right participatory approach for eradication of rural poverty and a paradigm of rural development.
Chalapathi B V et al, (2008)\textsuperscript{11} have stated that women empowerment means not just economic independence and it is much more than that. When women are economically independent, they can progress well in different spheres of life. He says investment is also a part of empowerment. Finally he suggested that the economic component requires that women have access to and control production resources thus ensuring same degree of financial annoy.

Geetha B et al, (2008)\textsuperscript{12} have analyzed that in India since independence rural credit system has not reached the rural women. SHGs gave them an opportunity to promote small savings and create credit themselves. Even though SHGs are started with the objective of economic empowerment of women, later it widens its scope with social and political empowerment. They stressed that through empowering women, SHGs provides the benefits not only to the individual woman and to women’s groups but also for the total family and community as a whole.

Gladis Mary John (2008)\textsuperscript{13} has analyzed various concepts like, micro planning, empowerment of women, women in SHG in his article “Women Empowerment through Self-Help Groups”. This study found that self employment through SHGs have increased the earning capacity and economic independence and gave an important place in the decision making process within the families. They got more courage to go out and interact with others. More awareness should be given to all women about their role in family and society by conducting meetings and training programmes.

Ariz Ahemed (2007)\textsuperscript{14} has undertaken a study of SHGs in Kokrajhar district of Assam with a view to study the women empowerment. He studied SHGs to identify strengths of the scheme. Further, given the poor lifting of APLLPPDS rice by the GPSS co-operative societies, the sub divisional administration offered this uplifted APL rice to these thrift groups to help their villages. This idea simply clicked. Many Mahila Samities started lifting this APL rice at government rates. They are also commanding respect among the poor and the widows of the village by selling APL rice at the rate of Rs. 8 per kg, against market price of Rs. 10. The study revealed that the low price of their products compared with market price helped them market it easily. Thus involvement of women groups is not only empowering them but also
enabling to shape themselves as social activists by trying to check the malpractices and injustices in the implementation of different schemes in the system.

Jakimow T (2007)\(^{15}\) has opined that developmental agencies have increasingly regarded ‘empowerment’ as an essential objective to improve the well-being of marginalized women in India. The perceived success of SHG programmes in this project has encouraged their widespread application across India, becoming the primary mechanism to empower women. However, this success has often been assumed rather than proven, with evaluations generally lacking conceptualizations of empowerment based on theoretical understandings of power relations. This article aims to overcome this by evaluating the potential of SHG programmes through the reduction of internal, institutional and social constraints that prevent the marginalized from pursuing their interests.

Prabakar Rajkumar K (2007)\(^{16}\) has studied the facilities available to banks etc., for supporting rural women under National Bank for Agriculture and Rural Development’s (NABARD) refinance and promotional schemes. He suggested to strengthen the institutional capabilities to deal with gender issues in credit and support services. Support for conducting skill training, skill upgradation and other economic training for rural poor women assume significance in the context of women empowerment. He concluded that empowering people particularly women is a sure way to link growth and human development. NABARD’s financial assistance through various schemes is facilitating to make the rural women equal partners in the economic prosperity of India.

Vasudeva Rao B S et al, (2007)\(^{17}\) have estimated the impact the impact of SHG movement in respect of various social and economic aspects pertaining to women in East Godavari district of Andhra Pradesh. The total sampling of the study consists of 500 women SHG members. Their study concludes that the circumstances SHGs are better option for inculcating grass root level leadership and propagating participatory development process at village level. It is observed that occupational pressure (18.6 per cent) appears to be most frequently felt factor as a constraint in terms of participation in SHG. This study has concluded that women need to be empowered in terms of education, social awareness, human resources development,
accessing avenues of development and majority of rural women who are associated with SHG activity positively success to gain themselves empowered.

Venkataramana M and Sunder Raj D (2007)\textsuperscript{18} has shown that the efforts made by Government and NGOs are yielding good results in empowering women in terms of awareness, economic independence, decision making, participation in politics and income generation. They suggested that integrated approaches with different development programmes may give better results in empowering women.

Gangaiah C \textit{et al}, (2006)\textsuperscript{19} have studied the impact of SHGs on the generation of income and employment in karakambadi village of chitoor district in Andhra Pradesh, which was adopted by a Non-Governmental Organization Rashtriya Seva Samithi. For the purpose of this study 202 women group members (10 per cent) were randomly selected from the total 17 SHGS. The study reveals that on an average, the loans received were generated 184 days of employment per member and each selected group member could get an income of Rs. 19,578 which is sufficient to bring the poor families above the poverty line. Finally they conclude that if any financial assistance utilized properly, will generate the income and employment opportunities. There is a symbolic relationship between generation of income and employment opportunities and the potential of employment can be judged by an amount of income generated in any activity.

Soundarapandian M (2006)\textsuperscript{20} has examined that the performance and achievements of the SHGs in Madurai district in employment and income generating activities through interviewing the 30 women groups about the functioning of women SHGs with the SGSY assistance. He states that there is a wide variation among states in growth of SHGs in India. States such as Andaman and Nicobar, Gujarat, Karnataka, Kerala, Orissa and Uttar Pradesh have comparatively lower growth where as other states have higher growth of SHGs. The states with lower growth rates might have begun their SHG-bank linkage programme at an earlier stage so that it may already have sufficient linkages and further linking is quite difficult.

Samanta R K \textit{ed}, (2005)\textsuperscript{21} has discussed about the empowerment process and how rural women fits into the process to bring down their economic dependence in particular sailing through the SHGs. This study also dwells with the concept of SHGs,
its formation and stages and largely areas of interventions of women SHGs by which members of the group attain empowerment with social and economic independence.

**Sunder Raj (2004)** in his article on SHGs and women’s empowerment has focused on the conceptual framework of the self help as a tool for empowerment. The observation that SHGs contributes significantly to the overall development of women in rural areas is strengthened and the various aspects of rural life where the empowered women can contribute are delineated. The SHGs are available alternative to achieve the objectives of rural development and to get community participation in all rural development programmes.

**Boraian (2003)** made an attempt to assess the process of empowerment of women through SHGs, promoted by eight NGOs, which received funds from a donor agency in Andhra Pradesh and Tamil Nadu. The study observed that cash flow to the group and their families had increased, members had greater access to credit and their urgent as well as other needs were met with ease. The gatherings of women in SHG meeting are not merely meant for collection of savings, distribution of credit, and recovery of loan. It is much beyond all these; SHGs serve as a forum for human resource and social relations development too. This increased their exposure, awareness and knowledge about the external world. SHGs were seen to contribute to their overall personality development too. Alcoholism among the husbands is treated as their arch rival by the members of SHGs. The groups take active part in the proceedings of the Gram Sabha. An impact study of an NGO in Andhra Pradesh observed that it was men who wielded control over the resources of villages and other services. On the other hand, the SHG villages witnessed the curtailment of male monopoly. It is concluded that there is a steady reversal from subservience to self-dependence, from secondary citizenship to partnership, resulting in greater equity and gender balance.

**Gurulingaiah (2003)** has studied that the Self-Help Groups of women in India have been identified as an effective strategy for the empowerment of tribal women in rural areas as well as women in urban areas. Women through these SHGs work on a range of various issues such as health, nutrition, agriculture, forestry, social awareness etc., besides income generation activities seeking micro credit. NGOs have been involved for setting up one lakh SHGs from the beginning encouraged them to
take active involvement in income generation activities. The members of these groups are motivated and encouraged by the Abhivruddi to start small business in Karnataka.

**Ramakrishna and Krishnamurthy (2003)** have examined the impact of SHGs on the social and economic empowerment of the sample households poor in Parvada village of Visakhapatnam in Andhra Pradesh. The study revealed that SHG concept was successful to some extent in achieving social empowerment, economic progress through ensuring improved access to institutional credit. SHGs have a positive impact on beneficiaries especially in respect of social and economic empowerment such as improvement in participation in the development programmes, ability to meet government officials, awareness of property rights, improving decision-making, improving marketing, communication skills and building self-confidence which have a positive impact on the living standards of beneficiaries in terms of food intake, children education, health status and financial independence have been improved.

**Sarangi (2003)** has opined that women-led SHGs in many parts of the country succeeded in bringing the women to the mainstream of decision-making. SHG is also a viable set-up to disburse micro-credit to the rural women and encourage them to enter into entrepreneurial activities. The women-led SHGs in the village of Purushothampur block of Ganjam district of Orissa State have successfully demonstrated how to mobilize and manage thrift, appraise credit needs, maintain linkage with the banks and enforce financial self-discipline. SHGs in this block are extending a helping hand to the district administration in different rural development projects ranging from construction of roads to sanitation programmes.

**Suda Rani (2002)** has stated that the multi dimensional process of empowerment requires awareness, access to education and training, participation in decision-making and politics and the mobilization of women for economic self-reliance. The micro credit movement in India is gathering women from the grass root levels to organize themselves into SHGs. Thus the SHGs are organizations of the poor, which form an informal alliance for a common goal to be achieved collectively. As a result of the group activities, the women were able to protect themselves from all types of exploitation.
Thelma Kay (2002) has examined various aspects of empowerment through self-help microcredit schemes, access, ownership and control of productive resources, inclusion in decision-making, Pathways to empowerment, Gender relations, and reconciling pro-poor policy with sustainability. He concluded his study with a case study from Narathiwat, a predominantly Muslim province in Southern Thailand, which provides some useful insights into the potential of community-based SHGs run by women. He finds that the family members have been mobilized to help in packaging and transport, and the younger members (including young men) help in designing goods. The status of these women within their households is reported to have been enhanced. At the community level, some members of the women’s groups are reportedly engaged in local community management structures and issues. With the decentralization of development funds, such as the village fund scheme, women from these groups, having demonstrated their ability to engage in business activities, are able to find their place in fund management positions. Village elders, traditionally men, are reported to have welcomed the participation and involvement of these women.

Yelue and Sahoo (2002) conducted a study on SHG and tribal women empowerment in Nanded district of Maharashtra. The study was carried out in five SHGs, comprising 20 members each, belonging to Dhangur, Wangani and Golla tribal communities in Nanded, Loha and Kandhar blocks. Most of the SHG members were involved in economic activities like goat-keeping, rearing poultry, collecting forest products, maintaining live-stock. The study found an increased awareness among the SHG women on literacy and continuing education, sanitation and health care, more freedom in mobility inside and outside village, financial and service support for self employment, adoption of small family norm etc. Some of them have started working as Sanghatika and Saga Sanghatika which showed their leadership qualities, improvement in communication skill and building self-confidence.

Puhazhendhi and Satya Sai (2001) have evaluated SHGs in India in terms of benefit towards economic and social empowerment of poor rural women. For the purpose of the study data collected from 560 sample households in 223 SHGs functioning in 11 states representing four different regions across the country. They reported that there was an increase in the average value of assets comprising livestock
and consumer durables by 72 per cent from Rs. 6843 to Rs. 11,793 lakhs between pre (1992-93) and post-SHG (1999-2000) periods. The net income per household increased by 33 (per cent) from Rs. 20, 177 to Rs. 26, 889 during same period. Western and southern regions scored higher in the economic and social empowerment index, showing that SHGs in these regions performed better when compared to other two regions. The empirical conclusion of the study exposed that the SHG as instrumental arrangement could positively contribute to the economic and social empowerment of rural poor and the impact on the latter was more prominent than in the former.

Rekha Gaonkar (2001)\textsuperscript{31} has found that individual SHG loans were mostly used for productive purposes and the rate of recovery was hundred per cent and also members improved savings, consumption expenditure and self-confidence, productive use of free time to improve the hidden talents was also noticed in the study area of Bardez and Biochim Talukas of Goa.

Putnam (2000)\textsuperscript{32} has stated that “Self-Help Groups have been an Instrumental in Empowerment” by enabling women to work together collectively. Women’s networks do not usually obtain business or political favours as they command few economic resources and frequently rely on time and non-monetized labour exchange. However, when SHGs combined with savings and credit, have enabled women to benefit economically by monetizing their contributions and in the process the women have got empowerment to become agents of change.

Ackerly (1995)\textsuperscript{33} studied on 826 loans given to 613 women in three locations. Credit programmes helps women towards to gain empowerment through providing loan. Loan characteristics and women’s involvement in market activities funded by loans women’s accounting knowledge; ability to provide information on input costs, product yield and profitability of the loan funded activity women gain knowledge and empowerment through market access, but it rarely occurs.

Karl M (1995)\textsuperscript{34} studied the role of empowerment of women on decision making. This study concluded that empowerment as a multifaceted process, involving the pooling of resources to achieve collective strength and countervailing power and
entailing the improvement of technical, administrative, managerial and planning skills and analytical reflective abilities of local women.

Pillai J K (1995)\textsuperscript{35} defined that empowerment is an active, multi dimensional process, which enables women to realize their full identity and powers in all spheres of life. Power has to be acquired and once acquired it needs to be exercised, sustained and preserved.

2.2 Studies based on Economic Development and SHGs

Chavan J V and Gaikwad V A (2011)\textsuperscript{36} observed that women are ready to face the challenges associated with setting up of business. Papad, pickles are the things of the past, now with new and innovative business, women entrepreneurs are fast becoming a force to reckon with in the business world. Maximum women have entered into business in thirties and most of them are married. Computer, IT related and consultancy services are upcoming areas, so most popular amongst younger women. It is the pull factors i. e. their urge to be self-dependent, supplement family income, achieve social status, satisfy their creative urge have motivated them to be entrepreneurs, more than the push factors like non-availability of job, dissatisfaction in job, etc. Education, training and skill have played an important role in their being into business. Role of government agencies in the growth of women entrepreneur is negligible.

Josily Samuel \textit{et al}, (2011)\textsuperscript{37} examined the impact of microfinance on the rural women. The study revealed that mainstream of the SHG members were middle aged married women and belonging to backward castes from nuclear families. The impact study on the various constraints revealed that the total percentage change in employment was 112.48 per cent, income was 45.59 per cent, the consumption change in member household was 25.8 per cent and the asset position of members was 53.43 per cent after joining the SHG. The study on the investment and savings pattern of the member households showed that they came under high in investment with percentage change of 20 per cent and savings category with change of 264 per cent. The regression analysis showed that the women members’ income increased by 0.50 from one rupee investment, savings increased to Rs. 4.92 and the wages per one day employment increased the income by Rs. 40.37. In this study the major
constraints faced by the women members were clashes among group members, improper savings involved and lack of training as main problems. Through the SHGs women were socially and economically empowered.

Lalitha K and Prasad G (2011)\textsuperscript{38} observed that most of the SHG women have been involved only in the micro credit savings. They were not properly facilitated through conducting periodical meetings, training programmes and awareness camps for their improvement. Their active participation in economic activities was very much limited to the lack of adequate approach by the NGOs. Though the women have formed groups they have poor decision making capacity for their self development.

Dwivedi (2008)\textsuperscript{39} has argued that if SHGs have to become the real carriers of women are to be associated with the microcredit programmes for long, these groups will have to emphasize on education, literacy and capacity building processes. Then only these groups can really become the tools of poverty alleviation and empowerment of women associated with them.

Lina Joy et al., (2008)\textsuperscript{40} studied factors determining the group performance of women-led SHGs engaged in agro-processing organized under Swarnajayanti Gram Swarozgar Yojana (SGSY) in Thrissur district of Kerala. It has been observed that socio-economic variables like age, education, market perception, economic motivation, attitude towards self-employment, management-orientation, risk-orientation, innovativeness and information-seeking behaviour influence the group performance of SHGs. The women under Below Poverty Line (BPL) in SGSY-SHGs of the performing groups are around 30 years of age, with middle school level education. Education and age of respondents have negative correlation on group leadership. The group stability has been determined by factors like group cohesion, group leadership, team spirit, group decision-making and regularity in maintenance of records. Correlation analysis between group performance and socio-economic characters has revealed that management-orientation has a positive and significant influence on all the determinants of group performance, followed by information seeking behaviour, knowledge about processing, market perception and economic motivation. The parameters like age of respondent, education of spouse, attitude
towards self-employment and innovativeness have been found least influential on
group performance. The study has indicated the need of providing training on
management and technical aspects as well as provision of market infrastructure to the
SHGs so that they could become competitive in the market.

Ramchandran T and Balakrishnan S (2008)\textsuperscript{41} have observed SHGs have the
power to create a socio-economic revaluation in the rural areas of our country. SHGs
have not only produced tangible assets and improved living conditions of the
members, but also helped in changing much of their social outlook and attitudes.

Shylendra (2008)\textsuperscript{42} has opined that there is a massive mobilization of women
taking place as a result of the SHG movement. The growth of SHGs incidentally has
occurred during the economic reforms period. The SHGs movement has a good
potential to serve both as a human face of the economic reforms as well as contribute
towards women’s emancipation. He suggested that a major investment is needed in
capacity building of SHGs and proactive policies to overcome the constraints faced by
SHGs to integrate them fully into the developmental programmes aimed at women’s
empowerment.

Abdul Raheem and Yasmeen Sultana (2007)\textsuperscript{43} stated that the SHG models
women are responsible citizens of the country achieving social and economic status.
In all stages of economic and social activities, involvement of women has given added
significance to them. Women led SHGs in many parts of country have achieved
success in bringing the women to the mainstream of decision making. The SHG in our
country has become a source of inspiration for women’s welfare. Now-a-days
formation of SHG is a viable alternative to achieve the objectives of rural
development and to get community participation in all rural development
programmes. SHG is also available organized set up to disburse micro credit to the
rural women and encouraging them to enter into entrepreneurial activities.

Ajay Singh Panwar \textit{ed.} (2007)\textsuperscript{44} has explained the benefits of SHGs through
a case study done in Joint Forest Management (JFM) implemented villages in Vellore
district of Tamil Nadu. SHGs have a significant impact on rural women’s life where
they undertake savings and credit activities in addition to being trained in the income
generation activities of bee keeping, poultry, dairying, pickle making and raising
nurseries. It also explains how micro credit helps to end poverty and economic dependence in villages especially among women.

B Suguna and G Sandhya Rani (2007)\textsuperscript{45} study was conducted to measure the socio-economic background of the respondents, income and empowerment levels, expenditure, savings and involvement of women in SHGs and future plans with reference to SHGs under Rayalaseema Seva Samithi (RASS) in Tirupathi of Andhra Pradesh. This study adopted the method of simple random sampling technique to select the fifty women SHG beneficiaries. The major findings of this study are; the majority of respondents, 86 per cent utilized the savings from group fund. 41.6 per cent respondents took loans for the purpose of business. 24.9 per cent of members took loans for the purpose of sheep, goat and cattle rearing. The rest of them have taken loans for cultivation, petty shops, tailoring, etc. 90 per cent of the sample members properly repaying their debts. Finally this study reveals that women were empowered through SHGs by providing financial support.

Ganesamurthy V S (2007)\textsuperscript{46} explained the process of women empowerment in India. He stated that although women constitute half of world’s population, yet they are the largest group which is excluded from the benefits of social and economic development. Women constitute a strong labour force, which needs to be mobilized and encouraged to make an effective contribution to the development process. The Ninth Five Year Plan (1997-2002) adopted the strategy of Women’s Component Plan under which not less than 30 per cent of funds/benefits were earmarked for all the women-related sectors and women-specific programmes. The Tenth Five Year Plan (2002-07) also undertook steps to further strengthen the policy of Women’s Component Plan. The working group on empowerment of women for the Eleventh Five Year Plan (2007-12), constituted by the Planning Commission in 2006, has emphasized the strengthening of SHGs and community-based organizations for the empowerment of women.

Gupta and Gupta (2006)\textsuperscript{47} have explained that the project of SHG was started at Chandigarh in the year 2003 by Punjab Engineering College for Economic Empowerment of Women. Three SHGs namely Shakti, Pragati and Prema were formed. Janata colony located in Punjab was chosen to start this as pilot project. The project was funded by commonwealth youth programme Asia centre, Chandigarh.
Shakti and Pragati SHGs were involved in the stitching work. They stitched the uniforms of the students of Punjab Engineering College. The Prema SHGs was involved in the manufacture of murabba and pickles, which were being sold successfully.

**Subbiah and Krishnan (2006)**\(^{48}\) have opined that SHGs play an important role in the enlistment of the rural poor by providing loans at reasonable interest rate. This helps the rural poor to improve employment and economic supports. The members can avail themselves of loan without collateral security. The SHGs in most of the villages have been successful in breaking the clutches of money lenders. The SHG bank linkage programme has been advantageous not only to the members of SHG and but also to the banks. The advantages to banks are the lower transaction costs by providing loan to the groups for internal lending. The SHG will help to the economic independence of the rural people and economic development of our country.

**Vasanth Kannabiran (2005)**\(^{49}\) has stated that women have to go a long way to achieve the rid of subordination in the self help movement. SHGs have moved women one step forward in the social and economic status but in the citizenship and political power front they are two steps backward. Finally the study is suggested that there is a need to have specific objectives for the movement with long term vision that is social, political and cultural which will serve to eliminate the subordination of women.

**Kala (2004)**\(^{50}\) has analyzed that the highlights of Mahalir Thittam which is being implemented in Erode district since the beginning of May, 1998 to promote SHGs over a project period of five years in rural areas. The SHGs are not only engaged in saving and internal lending activities but also function as important on health and nutrition literacy education, adoption of new agricultural practices, farm and non-farm sector economic activities and help to prepare women to take up leadership position. Till the end of May 2003, 4372 SHGs have been formed in rural areas and 159 in urban areas totaling the total to 592 with membership of 85, 530.

**Nayar K R et al, (2004)**\(^{51}\) have concluded that Self-Help Groups are typical for individualistic societies with developed health care systems and they are less
suitable for hierarchical societies with unmet demand for regulated health care. Self-Help Groups can help to achieve some degree of synergy between health care providers and users but cannot be prescribed to replace government health services partially in low-income countries, thereby reducing health care expenditure and ensuring equity in health care.

Sobha I et al, (2004)\(^52\) an attempt has been made to evaluate the efficiency of DWCRA programme towards economic development of women in Chittoor district of Andhra Pradesh. For this purpose one hundred and ten DWCRA beneficiary groups were selected randomly and interviewed with a prepared schedule. In their study found that even though the improvement of income through DWCRA were noticeable for all beneficiaries, about 69 per cent of the members indicated that there is no change in their expenditure on food due to earning from DWCRA. They stated that mere improvement in income does not translate into a better food in taken. 50 per cent of the beneficiaries acquired 5 to 7 additional employment days due to DWCRA and rest of the members got 4 additional employment days in a month. 60 per cent of the beneficiaries expressed fully satisfied with the scheme and 23 per cent were not satisfied because some selected activities were not generating income to the members. Finally they concluded that there is a need to have a re-look at the implementation of the programme.

Tamil Selvi and Radha Krishnan (2004)\(^53\) said that rural women in India suffer from being both economics and socially invisible. Individually poor rural women can overcome economic deprivation. To counter powerlessness and economic deprivation women need to alter their self-image and therefore social image. To give rural women visibility and to enable society to come in contact with poor rural women they must get organized into groups. Group approach is available setup to disburse credit to rural women. Thus the arrangement for credit supply to the poor through SHGs is fast emerging as a promising tool for promoting income generation and economic empowerment for women in rural areas.

Pattanaik et al, (2003)\(^54\) has found that SHGs are continuously striving for a better future for tribal women as participants, decision-makers and beneficiaries in the domestic, economic, social and cultural spheres of life. But owing to certain
constraints like gender inequality, exploitation, women torture for which various SHGs failed to organize properly and effectively.

**Samar K Datta and Raman M (2001)** have analyzed the lending practices of 30 SHGs from eight clusters in Tirupati, Andhra Pradesh. The author stated that the success of SHGs in terms of high repayment was mostly related to social cohesion found among the members, springing not only from their diverse background of knowledge base, skills, occupations and income levels, but also the successful completion of loan repayment. The regression estimates of SHG net income indicated that lesser dependence of SHGs on external resources, higher education of the members, higher loan provided in the current year and lower SHG expenditure contributed to the higher SHG net income per member.

**Gurumoorthy (2000)** has felt that women empowerment cannot be ignored. Empowering women contributes to economic and social development. Economic progress in any country whether developed or underdeveloped could be achieved through social development. The SHGs disburses micro credit to rural women for the purpose of making them enterprising women and encouraging them to enter into entrepreneurial activities. Credit needs of the rural women are fulfilled totally through the SHGs. SHGs enhance equality of status of women as participants, decision makers and beneficiaries in the democratic, economic, social and cultural spheres of life. SHGs also encourage women to take active part in socio-economic progress of our nation.

**Kulshrestha (2000)** has opined that without the rural women contribution in socio-economic development, the enlistment of the economy will be a day dream. Micro finance encourages the socio-economic development of rural areas. She discussed in detail the problems of rural women in getting micro finance and the need for participation of government, in providing micro finance, to the weaker sections of rural India. She stressed that now they require more financial assistance, to come out of their problems.

**Narasimhan (1999)** has assessed the effectiveness, particularly of poor women from socially disadvantageous communities in rural area based on the secondary data. The study reveals that in every area of empowerment (earnings, education, health etc.) awareness and psychological empowerment, acquiring
necessary knowledge and skill, will play a more effective role. Finally he suggested that instead of economic intervention, it is better to create awareness among women.

2.3 Studies based on Women Empowerment through Micro Finance

K M Zahidul Islam et al. (2011) empirically examined the technical, economic and allocative efficiency of agricultural microfinance borrowers and non-borrowers in rice farming in Bangladesh using Data Envelopment Analysis (DEA) of survey data obtained in 2009. Inefficiency effects are modeled as a function of farm-specific and institutional variables. The mean values of technical, allocative, and economic efficiencies are found to be 72 per cent, 66 per cent, and 47 per cent respectively in the pooled sample under variable returns to scale specification. This study revealed that after effectively correcting for sample selection bias, land fragmentation, family size, household wealth, on-farm training and off-farm income share are the main determinants of inefficiency. Efficiency scores between microfinance borrowers and non-borrowers are significantly different which are also conformed by the non-discretionary DEA model. This study also revealed that excess costs owing to inefficiencies was 53 per cent and concludes that main challenge facing the rice farmers in Bangladesh is to develop their cost minimizing skills. Some indicative policy guidelines to improve efficiencies are also suggested.

Reji E M (2009) has evaluated that the impact of Community Based Nutrition Programme and Poverty Alleviation Programme (CBNP and PAP) which were introduced in 1994 for beneficiaries of poor rural women. This study examined the respondent’s role in household decision making at household level. Almost all respondents replied that they are involved in decisions related to purchase of food items, household investments, and children’s education, decisions related to marriage of children, enterprise activities and selection of jobs. The respondents expressed high level of self confidence because of their ability to contribute to their household and their ability to freely interact with other members of the community. They also expressed the feeling that their status within the family also improved and they got better treatment in their family than that of pre-NHG (Neighbour-Hood Group) situation. Eventually this study concludes that the economic impact is invisible in terms of savings habit, increased credit accessibility, contribution to household income, and acquisition of household assets. The impact is also pronounced on the
social front in terms of increased role in household decision making, improved status and self confidence, ability to deal with adversities and community involvement.

Saravanan S (2008)\textsuperscript{61} has observed microfinance is playing a vital role in poverty alleviation in the country. Financial services enable the rural poor to leverage their initiative, accelerating the process of generating income and economic security. Conventional financial institutions seldom serve the needs of low income families, especially to women led families. To eliminate poverty, particularly that affects women, they should be empowered by providing credit facilities by banks and other financial bodies.

Singh (2008)\textsuperscript{62} has examined that the rural indebtedness has deep roots in the country. The mounting burden of rural debt has crippled the rural economy. Indian agriculture is a vicious circle. To break this circle, role of rural credit, role of microfinance and SHGs become very important. Improvement in credit delivery system would help RBI and NABARD also plays an important role in providing the rural credit. Micro finance institutions and SHGs also improve standard of living of farmers in rural areas.

Tiyas Biswas (2008)\textsuperscript{63} has examined micro-finance is promoted as an entry point in the context of a wider strategy for women’s economic and socio-political empowerment which focuses on gender awareness and feminist organization. The main target group is poor women and women capable of providing alternative female role models for change. Increasing attention has also been paid to men’s role in challenging gender inequality.

Niels Hermes et al, (2007)\textsuperscript{64} has mainly concentrated on poverty reduction through improving education, health and infrastructure. The entry of commercial banks into microfinance may increase the competition for traditional microfinance institutions and reduce lending to the core poor, even if it improves financial sustainability. He has been suggested that the trend of commercial banks entering the market for microfinance appears to be one of the most important challenges for the microfinance business in the near future. The potential of this trend in terms of reducing poverty is still unclear, however. Further research into this important issue is therefore highly desirable.
Puspa Ghimere Nairula (2007)\textsuperscript{65} aims to highlight the effectiveness of women targeted programmes on women’s socio-economic empowerment especially on three aspects, namely, income generation, employment, and education and health. A case study of Lalitpur district of Nepal was undertaken. To assess the impact of Production Credit for Rural Women (PCRW), Micro-Credit project for Women (MCPW) and Women’s Awareness and Income Generation Programme (Jagriti) programmes. The findings of these micro-credit programmes were based on the study done by Central Department of Home Science and Women’s Studies in Tribhuvan University (2003). For this study to obtain qualitative information, focused group discussion, key informant interviews and observation methods were used. The PCRW, MCPW and Jagriti programme members were taken as the experimental groups and those women who were not members of any such programmes were taken as the control group. Findings of this study showed that the three micro-credit programmes working pattern was similar and micro-credit programmes had a positive impact on women’s socio-economic empowerment, income generation, employment, and education and health perspectives.

Raghav Gaiha and Mani Arul Nandhi (2007)\textsuperscript{66} concluded that while the targeting of microfinance through SHGs was unsatisfactory in terms of income criterion, it was better in terms of other indicators of deprivation such as low caste, landlessness and illiteracy. Loans were used largely for health and education of children and for production-related expenses especially by the disadvantaged. Especially by this programme domestic violence was reduced.

Vinayagamoorthy (2007)\textsuperscript{67} found that the income of the women has been increased after joining the SHGs. So that the monthly household expenditure is also has been raised to considerable level. But the saving is increasing at slow rate, because the incremental expending is higher. Mostly they are spending for present consumption. The members should change it the good practice of the women SHGs in the study area is repayment of the loan on time. A few members are not in a position to pay loan in time but it doesn’t affect the further credit of SHGs.

Navin Bhatia and Anju Bhatia (2004)\textsuperscript{68} have made an attempt to examine the microfinance products and practices of the four major Micro-Finance Institutions
(MFIs) of Bangladesh as against the prevailing position in India with a view to draw lessons from their experience for strengthening the microfinance movement in India. In India microfinance products available to the SHG members are very limited. There are no Bangladesh type and scale existing MFIs in India. The Indian banks, which are performing both the roles of MFIS and as financial institutions, are under tremendous strain to reach the expectations, needs and demands of the microfinance sector due to lack of adequate trained staff and a dearth of financial products. Finally they suggested that banks develop more appropriate and flexible savings products and a far greater range of loan products according to the rate of growth in SHGs that can meet the diverse needs of the poor people, which could be directly delivered or through specialized MFIs. Specialized MFIs are in existence for catering to the needs of the poor. The number of clients served by these MFIs is negligible as compared to clients of banks. So that, there is a need to be recognized that microfinance is a separate line of activity and requires not only specific products but also specialized institutions and also need to be encourage the new generation of MFIs.

Rimjhim Mousami Das (2004)69 has viewed that microfinance through SHG has become a source of inspiration for women welfare in India. Microfinance gives an opportunity to the poor through providing sufficient amount of credit easily to start any income generating activity. Micro finance not only deals with the credit but also deals with the savings and insurance activities. Microfinance is a boon for the poor to bring them up not only economically but also socially, mentally and attitudinally.

Credit is provided for production and consumption purposes. He criticized that providing loan for consumption purpose is inevitable in developing countries like India and Bangladesh because of millions of the people are in below the poverty line and 33 per cent are considered as poorest of the poor. So that, expecting income generating activities without providing credit support for their food and cloth is unrealistic. The fulfillment of basic needs of the people is indispensable.

Gallup Pakistan (2003)70 evaluated the functioning of Pakistan Poverty Alleviation Fund (PPAF) through a survey of 17,000 borrower and non-borrower households in 140 community organizations of 17 districts in all the four provinces of Pakistan. The Government of Pakistan set up PPAF in 1997, aims to reach the poor and disadvantaged communities in both rural and urban areas through NGO-
Microfinance Institutions and community based organizations. This study found that borrowing households were better off than those that had not borrowed. On the average their incomes and consumption had increased and there was an improvement in their personal and business assets, housing facilities and other amenities. In addition to this there was an increase in their social status, especially in women borrowers. This study accomplished that there is a significant and positive change in the social status of women who obtained and utilized loans through PPAF. Hence, micro-credit improved the level of empowerment in Pakistan women.

Kokila K (2001)\textsuperscript{71} has examined the various stages of growth for thrift and credit groups at the village level. She points out that the existing formal financial institutions have failed to provide finances to land less, marginalized and disadvantaged groups. The majority of rural poor women belongs to landless, and mainly engaged with long daily work time in low return jobs. Because of this reason women find themselves by passed by financial institutions. Many voluntary organizations come forward to help the rural women to form themselves as a thrift and credit groups. Availability of small size credit accessibility to poor women leads them towards self-employment and development.

Abdul Hayes Ruhul Amin and Stan Becker (1998)\textsuperscript{72} have studied the relationship between poor women’s participation in micro credit programmes and their empowerment by taking both SHG and Non-SHG members in rural Bangladesh. They have split the concept women empowerment into three components and measured separately in order to arrive at a better understanding of their underlying factors and their relationship to women’s empowerment. These separate indices are interspersed consultation index, individual autonomy index and authority index. The three options are given different weights; “generally”, were assigned a value of 1, “never” a value of 0 and “occasionally”, a value of 0.5. The results have shown that the SHG members are ahead of non-members in all the three indices of empowerment. Moreover, the non-members within NGO programme areas show a higher level of empowerment on the autonomy and authority indices than the non-member within the comparison areas. Overall, it is found that part of the higher autonomy and authority indices in the NGO programme areas in contrast to the comparison areas is accounted for the contribution of both NGO credit members and
non-members in the NGO programme areas. Being empowered by their new sources of financial income and related credit group supports, female recipients of NGO credits have asserted their autonomy and authority on their husband’s restrictions and dominance in related household affairs.

Mayoux L (1998)\textsuperscript{73} has proposed a participatory approach for integrating women’s empowerment concerns into ongoing programmes, which would themselves be a contribution to empowerment. Micro Finance Programmes for women are currently promoted not only as a strategy for poverty-alleviation but also for women’s empowerment.

Goetz and Gupta (1996)\textsuperscript{74} interviewed 253 women and 22 men borrowers regarding to loan characteristics, e.g. size of loan and investment activity women’s versus men’s managerial control of loan; reported control of productive process, marketing and inputs, control of men on loans given to women in 5 regions in Bangladesh. They found that microcredit programmes are not necessarily empowering women.

Hashemi \textit{et al}, (1996)\textsuperscript{75} surveyed 1248 women following ethnographic research in six villages in Bangladesh. The survey was on Microcredit participation and women’s contribution to household empowerment in household and community spheres in terms of mobility, economic security, decision making power, political and legal awareness, participation in public protests and political campaigning. Microcredit empowers women by giving them greater economic value to their families.

2.4 Studies based on Poverty Eradication through SHGs

Gunindra Nath Sarmah and Diganta Kumar Das (2012)\textsuperscript{76} analyzed the role of Micro-Finance and Self-Help-Groups for the socio-economic development of the poor people in Lakhimpur district of Assam. For collecting the primary data 250 respondents were randomly selected from a total of 50 SHGs covering the entire Lakhimpur district. This study found that after joining the SHGs the poor rural people increased their income and improve their standard of living by performing economic activities independently.
Sangeeta Arora and Meenu (2012) made an attempt to find out that how far the micro financing services have been successful to meet the financial needs of the rural poor and what is the impact of such services on the ultimate borrowers. For the purpose of study 120 members were selected randomly from 12 rural blocks in three districts of Punjab. The results of the study revealed that in the case of credit utilization, majority of the respondents (55.56 per cent) were using bank microcredit and people having taken from micro credit from the formal sources are found to be much satisfied with the services than the one availing credit from the informal sources. However, majority of the rural people (37.5 per cent) are unaware of the micro financing services provided by the banks such as zero minimum balance bank account. As far as their financial awareness is concerned they are quite aware of their loan statistics. People start to give importance to microfinance services and recognize their positive impacts on their lives. This reveals that still a lot of efforts will require pave the way for the micro financing movement among the banking sector to become a very powerful poverty eradication instrument.

Sita Devi K et al, (2011) undertaken a study consisted of 54 SHGs and 216 members and a matching of 216 non members in cuddalore district of Tamil Nadu, with an objective to study the impact of microfinance on the socio-economic status of the rural poor and to assess the microfinance impact on the empowerment and the living conditions of the rural women. In this study, the analysis of composite index of standard of living has shown that the SHG member’s living standards have improved considerably through the intervention of microfinance. Finally, the study concluded that the SHGs have had greater impact on both the economic and social aspects of the beneficiaries and succeeded in their role of change agents which could help in pushing back rural poverty.

Arjun Y Pangannavar (2010) has made an attempt to know impact of women SHG Programme on rural poverty eradication in Belgaum district, Karnataka. The random sampling methodology was adopted, 80 women SHG members were selected in 20 villages. He finds that SHG programme is an innovative participatory approach to eradication of poverty. Women SHGs are being played a very active role in eradication of rural poverty. Finally this study suggests making SHG Programme successful in its functioning and effectiveness. Further it is suggested that the members should be from poor families irrespective of caste, religion etc., members
should be trained, government should formulate legal frame work for SHGs and rural infrastructure should be development to help the functioning of SHG.

**Christuraj P and Saraswathy S (2009)**\(^{80}\) have analyzed socio-economic changes among the members of women SHGs on the basis of collective scores obtained on 20 variables on a 5 point rating scale. For this study out of 15 community development blocks, 6 blocks were selected as sample from Cuddalore district according to the number of SHGs formed. Cross tabulation method was employed for data pertaining to women empowerment variables. Cross tabulation consists of women’s socio-economic status as independent variables and their level of various aspects of empowerment as dependent variables. The study reveals that the respondents record high level of socio-economic changes in consequence of getting membership in SHGs in terms of ability to voicing concern, access to credit sources, mobility and increase in individual education. A substantial level increase in socio-economic changes has been observed in terms of other variables also.

**Rajesh Kumar Shastri (2009)**\(^{81}\) stated that the dynamic growth of the microfinance industry has been promoted not only by market forces but also by conscious actions of national governments, Non-Governmental Organizations and the donors who view microfinance as an effective tool for eradicating poverty. The powerful push behind this huge and increasing support for microfinance indicated that national economic and social impacts are significant and it needs to be examined more closely.

**Mohindra K S et al, (2008)**\(^{82}\) have examined associations between the female participation in SHGs and women’s health in Kerala. For the purpose of the study 928 non elderly poor women has taken as the sample from one Panchayat. Finally Mohindra concluded that Micro credit is not a panacea, but could help to improve the health of poor women by addressing certain issues relevant to the context. In Kerala, SHG participation can help protect poor women against exclusion to health care and possibly aid in promoting their mental health.

**Rajkumar (2008)**\(^{83}\) has discussed that SHGs create awareness about health problem and preventive medical care remains a neglected area in the rural spheres as part of their poverty reduction. The NGOs help SHGs in procuring raw materials and also marketing for the manufactured products, needed loans from banks, voluntary
banks and intuitions to meet the needs of the farm women. The ability of the women to contribute more in the family income will provide them with a greater bargaining power.

**Shibalal Meher (2007)** declared that micro-finance through SHGs has the potential to fight against poverty and can be an important weapon for poverty alleviation. The study was carried out in Koraput, a poor and backward district in Orissa. For the purpose of this study, 77 beneficiary women members were selected as the respondents from five SHGs out of five both the state and district level Government and NGO based SHG Promoting Institutions through multi-stage sampling method. In this study the income and poverty impacts were measured by using a combination of both ‘before-after’ approach and ‘with-without’ approach, where without serving as control group. The study shows that there is increase in income and assets and reduction in the level of poverty as a result of involvement through SHG based micro-finance. The net impact of borrowing on income is positive not only in case of all the borrowers but also in case of the poorest borrowers. However, there is a positive impact on poverty but the process of empowerment is found to be poor. Since these are women groups, in the long run the lesser empowerment can lead to the failure of the programme. The present study concluded that SHG based micro-finance has better outreach and positive impact on poverty. However, there is a need to improve the process of empowerment.

**Suguna B (2006)** has stated that there is continued inequality and vulnerability of women in all sectors of economic, social, political, education, health care, nutrition and legal. As women are oppressed in all spheres of life, they need to be empowered in all walks of life. Active participation in social, economic and political spheres would help in enhancing process of decision making, empowerment and will also give women the desired self respect and social dignity through empowerment. Empowerment is a process of awareness and capacity building leading to greater participation to greater decision making, power and control, and transformation action.

**Viswanathan (2006)** has explained that the micro-finance is dominated by SHGs and their linkage to banks with the launching of NABARD’s pilot scheme
gained concepts like self-reliance, self-sufficiency and self-help at its core. He suggests that if banks impart proper training for skill and entrepreneurship development, the SHG members would be able to diversify income generating activities, thus improving their credit adsorption capacity substantially. Microfinance helps the rural poor to improve their standard of living and fulfills their credit needs. Hence the SHGs are a new innovation in the field of rural development to finance the rural poor and also to satisfy their credit needs.

Sahu and Tripathy (2005)\textsuperscript{87} have observed that 70 per cent of world’s poor are women. Access of the poor to banking services is important not only for poverty alleviation but also for optimizing their contribution to the growth of regional as well as the national economy. SHGs have emerged as the most vital instrument in the process of participatory development and women empowerment. The rural women are the marginalized groups in the society because of socio-economic constraints. They remain backward and occupy the lower position of the social ladder. They try to get lift themselves from the morass of poverty and stagnation through micro finance and formation of SHGs.

Tripathy K K (2004)\textsuperscript{88} has mentioned that over the years most of the poverty alleviation programmes were based on top-down approach and did not consider the needs and requirements of the people. SHG provides a great opportunity to the rural poor to develop themselves. He suggested that SHGs while aiming at promotion of savings and credit, there is a necessity to work as pressure groups to address social issues such as education, health, lack of access to natural resources and providing training is also important to the SHG members to create awareness on community health, traditional and modern agricultural practices, micro credit, veterinary practices, water resource management, Panchayati Raj and other relevant issues. Finally he concluded that SHGs formed under various programmes provide a great scope for convergence of the activities and programmes of various ministries, departments and organizations, which ultimately would help in improving the quality of life in rural areas.

Nirmala V et al, (2004)\textsuperscript{89} examines the determinants of earnings of 134 sample rural women under SHG scheme in the Pondicherry. Findings of the study showed that the greater part of the respondents to be engaged in non-farm activities,
which were largely traditional and less remunerative in nature and the major problems faced by them in conducting their production activities were not received the loans in time, difficulty in getting raw materials, and skillful labour and marketing problems. Hence, the study recommended that the respondents should be provided with institutional support, like training, marketing and information on available latest technology. They should also be strictly made to utilize the SHGs credits for productive purposes alone. Further training related to the activity chosen should be imparted. Above all effective implementation of the scheme is recommended for poverty alleviation and empowerment of the rural poor women.

Rengarajan L (2003)\(^\text{90}\) has examined the Self-Help Groups functioning in the South India and their role in alleviation of poverty. Self-Help Groups are playing a crucial role in eradication of poverty and strengthening the rural economy through providing small loans. Finally it concluded that SHG is expected to be one of the major poverty alleviation programme in India. However, considering the magnitude of poverty, the outreach of the programme needs to be strengthened and enhanced.

Sabyasachi Das (2003)\(^\text{91}\) in his study stated that the micro credit through Self-Help Groups model has got tremendous attention in recent years. Micro credit is an alternative source of credit for the poor who earlier were considered as non-bankable. This system not only provides credit, most important input for development to the poorer section of the society, but also aimed for their capacity building. The phenomenal growth of SHGs indicates that the weaker sections of the society are also capable to sharpen their micro entrepreneurial skills with the help of their own savings and additional bank credit, as needed at this point micro credit-Self-Help Groups integration could be the way out for overall rural development as well as the poverty alleviation.

Madheswaran S and Amita Dharmadhikary (2001)\(^\text{92}\) in their study an attempt has been made to analyze the impact of SHGs in providing credit to rural women to help them uplift their economic status. The analysis is based on a survey of three villages of Pune district in Maharashtra. They found that the successes of group lending are attributable not only to peer monitoring but to other factors such as lending for consumption purposes, saving, rotation of saving by group. They suggests that for poverty alleviation and empowerment of women intervention should be a
continuous process, with intervention at a steady pace rather than with target-oriented intensive efforts at periodic intervals. Apart from the agencies involved in implementing the micro credit scheme and other departments like social welfare, tribal research centers and local NGO may be involved to see whether the benefits of the programme are reaching the really needy people. This will be a more effective way of targeting the poorest of the poor.

Monthly Public Opinion Survey (2001)\(^{93}\) has stated that most of the Indian poor living in rural areas. Government cannot eradicate the rural poverty alone with its reforms and programmes. People’s participation, especially women participation in economic activities is important to reduce poverty and to develop the nation. In India poverty has got a famine face. No country can progress if half of the population is left with residiary functions and subsidiary status in work participation. Women entrepreneurs are very low in India because of prevalence of orthodoxian nature of livelihood, and having poor economic rural background and mainly due to lack of encouragement to women to enter into such a risky and challenging activity. Women and development should be linked together. In the context of development, women’s development through their economic empowerment and self reliance is necessary for economic development. Empowerment of rural women would make quick to pace the economic development. Increase in women’s education and participation in income generating activities will leads to increase in the confidence levels of women and achieving orientation in their business.

Zaman (2001)\(^{94}\) has opined that Self-Help Groups through Micro-Credit have shown the positive effects on women and some of these impacts made ripple effects. SHGs played a pivotal role in reducing the vulnerability of the poor, through asset creation, income and consumption, smooth provision of emergency assistance and empowering and emboldening women by giving them control over assets and increased self-esteem and knowledge.

Nagaya D (2000)\(^{95}\) has derived that the SHGs is an informal arrangement for credit supply to the poor and a key tool for promoting income generating enterprises. NABARD is playing a prominent role at various stages of implementation of this programme. Besides, there are other national level bodies supporting NGOs, namely--Rashtriya Mahila Kosh and Rashtriya Gramin Vikas Nidhi. It could be revealed that
the Small Industries Development Bank of India (SIDBI) has established a foundation for micro credit and NABARD has set up a micro finance development fund.

Sivasubramanian (1999) studied empowerment of poor and felt that social mobilization is the possible process for eradicating poverty. Poverty can be effectively eradicated only when the poor start contributing to the growth process through their active involvement. Voluntary organizations, community-based SHGs and local government organizations have a substantial role to play in eradicating poverty.

Conclusion

The foregoing review of literature, covering the studies at international, national and regional levels, provides some insight into their methodological aspects. It could be seen clearly from the above studies demonstrate that SHGs are playing crucial role to provide micro finance to the rural poor especially women and SHGs impacts positively on their members in terms of empowerment, accessibility to credit, socio-economic change etc. But the impact of SHG programme on these parameters largely depends on the prevailing social institutions through which women’s decisions and choices are mediated may be overwhelmingly strong and resilient that they suppress opportunities for women. The success or failure of any development programme varies with the levels of development of social, economic and political institutions. Though there are a few studies have been taken so far to assess the impact of women SHGs covering different socio, economic and political institutions. It is clear that there are no comprehensive studies on the poverty eradication of the rural women through SHGs. Thus, there is a need for region-specific study to examine the impact of SHGs on its members towards the eradication of poverty and empowerment because there have been huge investments and it became a key strategy for poverty reduction and empowerment of rural women for several countries. The developmental efforts need to be supplemented with learning from different region’s experiences and independent assessments and observations of present status of SHG institutions in the country. The present study is a modest attempt in this direction with reference to the study area.
References


