CHAPTER – III
REVIEW OF LITERATURE

A thorough review of literature is of paramount importance to any research endeavour. It helps to acquire a broad general background in the given field. A review of research studies already done in the area will be helpful in giving direction to further research. Research studies focusing attention on Self - Help Groups and the different aspects of the development have been identified and presented with a view to get better insight of the research problem.

Most of the studies pertaining to SHGs are evaluative in nature, undertaken by agencies administering or funding the programmes. Such studies tend to focus mostly upon the quantitative dimensions of different types of self-help groups. Some studies have examined the economic aspects of the groups functioning while some others discuss the psychological aspects, in particular the “group dynamics”. Certain other studies link the groups functioning to the ultimate objectives of rights and empowerment.

SHGs - A REVIEW OF PROGRESS

Micro - finance and women empowerment is a subject that has received growing research attention in recent years. Several organizations have promoted SHGs taking up the philosophy and approach of successful experiments of extending credit to poor women. Since the early 1980s, a large number of studies have examined the various dimensions of micro-finance programmes and women
empowerment. Several international organizations such as Action-Aid, UK, CGAP (Consultative Group to Assist the Poorest), and Overseas Development Authority have conducted case studies and organized workshops in various countries. The workshops had looked mainly into the experiences of different countries and the impact of the microfinance programme in a cross-cultural perspective. Other sources of information include published and unpublished materials including materials from the Micro-credit summit (February 1997 and 2001) and action research programmes of IRMA, NIRD and CIRDAP Digest.

Though new to the informal sector debate, micro-enterprise promotion has evolved from poverty alleviation activities from the early 1960s. The proponents of micro-enterprise development approach are action oriented. They aim to empower groups and communities through business assistance and development of organizational skills and capacity. They promote, fund and carry out programmes that address the needs of the poor (Rakowski, 1994).

Choudhary (1996) in her study stressed the need for shaping women’s empowering strategies to make them effective and result oriented. She pointed out that money earned by poor women is more likely to be spent on the basic needs of life than that by men and that this realization would bring women as the focus of development efforts. She also examined the advantage of organizing women groups there by creating a new sense of dignity and confidence to tackle their problems with a sense of solidarity and to work together for the cause of economic independence.
An article (Gramin Vikas, 1995) highlights the role of an innovative saving/credit programme called Podupulakshmi that had been successfully launched and carried out in the Nellore district of Andhra Pradesh. Podupulakshmi is based on a very simple principle of saving a rupee per day/per member. The aspirations of women for economic prosperity went up and they started climbing up the social ladder through the programme. The other factor for the success was timely intervention of the government machinery. The careful identification of key government functionaries also led to the success of the programme.

The South Malabar Gramin Bank (1998) conducted a “Monitoring Study on SHGs” to examine the progress of the scheme since its implementation in 1995-96 in Malappuram and Kozhikode districts. About 80 per cent of the bank-linkaged groups were rated as excellent. In a few groups, group dynamics decreased after the credit-linking. The study suggests that in 20 per cent of the groups, the organizational set-up should undergo change by replacing the existing members. It identified several weaknesses in the CDS groups such as lack of monitoring, lack of interest among co-coordinators due to non-receipt of allowance which they had been formerly receiving and static performance of groups.

An impact study conducted in seven wards with 2003 risk families in Alappuzha by the Department of Statistics, University of Kerala, revealed that families with less than two meals per day had gone down from 57 per cent in 1993 to 44.50 per cent in 1996, families with
one or more illiterates fell from 26.5 per cent to 17.8 per cent and families with persons addicted to alcohol declined from 32.5 per cent to 22.10 per cent.

**Studies on Concept of SHGs**

NABARD (1995) defined SHG as a homogenous group of rural poor voluntarily formed to save whatever amount they can conveniently save out of their earnings and mutually agree to contribute to a common fund from which to lent to members for productive and emergent credit needs.

Singh (1995) conceptualized SHG as an informal association of individuals which come together voluntarily for the promotion of economic and social objectives.

A SHG is a homogenous group of not more than twenty-five individuals who have come together for greater economic and financial strength through mutual help (Anon, 1996).

Dwaraki et al. (1996) described a self-help group as an unregistered body of people, preferably the disadvantaged who willingly contribute an agreed sum of money which would be lent at a price for a short period as fixed by the group itself.

Krishnamoorthy (1996) defined SHG as an organization formed by people for pooling their resources to help each other.
Roul (1996) defined SHG as an institutional framework for individuals or households who have agreed to cooperate on a continuing basis to pursue one or more objectives.

Karmakuar (1998) defined SHG as an informal group of people where members pool their savings and relend within the group on rotational basis.

Shylendra (1998) defined SHGs are small informal associations created for the purpose of enabling members to reap economic benefit out of mutual help, solidarity and joint responsibility. The group-based approach not only enables the poor to accumulate capital by way of small savings but also helps them to get access to formal credit facilities.

Thomas (1998) defined SHG as a homogenous group of rural poor voluntarily formed to save small amounts out of their earnings which is convenient to all members and agreed upon by all to form a common fund corpus for the group to lend its members for meeting their production and emergent needs.

**Studies Related to DWCRA**

Rao (1995) conducted a study on “DWCRA - A means of women’s empowerment”, the present study endeavours to examine the functioning of DWCRA group at Bommanapalli Village of Brahmasamtidram mandal in Anantapur district of Andhra Pradesh. The selection of the DWCRA group was based on purposive sampling method. An unstructured interview schedule was administered to get the
information from the members. The articulation skills and the achievements of the group space for the success of their empowerment. There is a greater scope to increase the production capacity of unit and further improve the marketing network through the involvement of governmental and nongovernmental agencies which serve as one of the strong means to empower women.

Prasad (1995) conducted a study on “Development of women and children in rural areas: successful case studies”. DWCRA is being implemented in 354 districts all over the country as a sub-scheme of IRDP. The objective of the programme is to raise the income level of women of poor households and enable them to become organized participants in social development and economic self reliance. Besides providing financial support for income generating activities, it also aims at increasing women’s access to other welfare service. With this objective the present study was undertaken in Gurgaon district of Haryana. Some of the common factors for the success of the group are homogeneity, effective leadership, repayment procedures, systematic planning, quality control and marketing, support of officials are the key factors for the effective management of the programme.

Sitalakshmi et al. (1995) conducted a study on “dissemination of health messages to the beneficiaries of DWCRA programme. The sample selected was 100 women of DWCRA. The findings of the study were related to socio-economic conditions of the beneficiaries and dissemination of health message, to the beneficiaries and it helps the target groups in bringing spectacular changes in their awareness, attitude and involvement in health programmes.
Yadagiri (1996) conducted a study on “Rural poor and a challenging task of DWCRA: A study of women in A.P”. The area selected was Nedunoor Village in Rangareddy district. DWCRA programme seeks to provide opportunities of Self-employment on a sustained basis. The women has also become socially aware of the need to educate the girl child and prevent social evils such as liquor consumption and child marriage. One women group organizer said that we have now realized that both boys and girls are the same, our daughters could also become collectors if they are educated. DWCRA members said it resulted in better quality of life because of access to literacy and health services. There is also betterment in nutritional status of families.

Rao (1997) conducted a study on DWCRA-an appraisal using indepth personal interview and through several visits. Findings reveals economic activities were mostly individual or family based and there was no substantial meeting ground to held the group together.

Rajakutty (1997) conducted a study on development of women and children in rural areas (DWCRA) in Tamil Nadu and Andaman Islands. The study’s quick focus was on the Administrative arrangement and efficiency of IRDP implementation, taken up by National Institute of Rural Development. The author had an opportunity to took critically into implementation of DWCRA. Though a well-conceived scheme, its implementation has suffered and weakened its objectives. Assistance to women groups has been found to be relatively more productive and repayment performance was also better.
Thejaswini and Veerabhadraiah (1997) conducted a study on “Knowledge assessment of rural women on DWCRA and their problems” in Mysore district in Southern Karnataka. The study reveals that the women were encouraged in rural areas to participate in this programme so that they gain more knowledge about different trades and become self employed.

Yerramraju and Firdousi (1997) Conducted a study on women’s Development: Issues, concerns and approaches” the study was conducted in three districts of Prakasam, Adilabad and Cuddapah districts of Andhra Pradesh, it brings out the patterns of group formation, group dynamics impact on the economic development and social cohesion among the women members and on employment generation. It highlights the need for disassociating the scheme from IRDP and for allowing it to blossom as self-help group programme capable of generating income and employment on its own plank.

Rao (1998) conducted a study on “DWCRA group of Pallipadu shows the way” Pallipadu village of Konikasia mandal is about 34 Km from Khammam town. The group had various options to go in, like pickle/papad making, handicrafts, Feady made garments, wet grinding and leasing of land for cultivation. The group opted to go for leasing of land for cultivation. They were provided with bank loans for purchase of tractor, water used for agricultural activities. There is improvement in clothing, sanitation and children’s education.
Prasad (1998) conducted a study on “DWCRA: Synthetic gem cutting units - some lessons to learn”. This study was taken up in Periyar district with the sample size of 60 women from four units. The main objective of DWCRA is to provide income generating skill and activities to poor women by improving their social and economic status.

Sundaram and Singh (1998) conducted a study on “Assessment of DWCRA programme on modalities of operation”. The study was conducted in Girwa Panchayat Samithi of Udaipur district with the sample of 58 beneficiaries of DWCRA groups. Major findings of the study were there was a change in the socio economic status, and in lifestyles before and after joining DWCRA group.

Nefa and Someshwar (1998) conducted a study on “DWCRA: A hope of light for women’s development in rural areas”. The study was conducted in Anantapur district, the sample consists of 117 beneficiaries covering 26 DWCRA groups. Majority of them belong to SC and backward communities. The age group of respondents were identified on the basis of availability of raw materials and skills, marketing facilities & individual choice. There are benefits like employment creation, income generation and health education, sanitation and improved conditions.

Manimekalai (1999) conducted a study on “Rural women beneficiaries of DWCRA scheme”. The area selected for the study was Pudukottai in Tamilnadu district. Large people of this district depend only on agriculture for their survival. The sample of 20 DWCRA group
each consisting 20 members was selected randomly. 50 per cent of them were illiterates DWCRA women are considered significant in decision making at home, the overall health status of DWCRA women has improved.

Chatterjee (1999) conducted a study on “DWCRA groups in the Garo Hills”, Meghalaya. The area selected for the study were Balasrigition the village of Samanda block and Damchiring the village of Samanda block. This study has revealed that DWCRA has contributed substantially for economic upliftment of the poor people, moreover it has helped them to work more unitedly with vigor and vitality.

Suneetha (2007) conducted a study on “Is DWCRA programme empowering the rural women” and inferred that there is significant growth in the employment generation of sample beneficiaries in Kodumoor mandal after the implementation of DWCRA.

**Studies on SHGs and Micro-credit**

Medha (2001) made a study similar to that of Sebastian, but Medha also covered the SHGs promoted by government agencies also in Maharashtra state. The title of the study was “Mobilising women SHGs through government and non-government organisations.” which attempted to focus that how various governmental and non-governmental organisations stepped forward to empower women through Self-help Groups (SHGs). Total 160 SHGs were selected from three taluks viz., Bhor, Velha and Haveli of Maharashtra.
The study identified two major obstacles in the development of SHGs, i.e., enterprise training and marketing. Various government and non-government organisations were helping these women groups to become sustainable and viable. Pune Zilla Parishad had established Savior Centre for marketing, products made by SHGs and also given training to the manufacture of chalk, brooms, paper bags etc., For the first time in Pune district, a market at the taluks level was being set up which would cater to the various requirements of the taluks. SHGs, managed by the Jijamata Research Centre of Gyantrabodhini at Shivapur, undertake various business activities. The centre provides enterprise training to the members of the SHGs and products manufactured by them had a market in California, USA. There were 20 members who contribute Rs.25 per month and deposit the amount in the Central Bank, Shikrapur by Shree Lakshmi Group at Jregan. This group has taken loan from Canara Bank, Waghole Branch for goat rearing on which they had to pay 13 per cent interest. SHG was formed by the NGO, Gramin Mahila Va Balak Vikas Mandal (GMVBM) funded by the Bank of Maharashtra. All the members were much more economically stable, active and successful today. The Bank of Maharashtra had taken the initiative for marketing the items like papad, chilly and turmeric powders etc. Study concluded from the above four case studies that the SHG movement holds the key to sustainable banking with the poor. The good performance in loan repayment had motivated banks to facilitate the formation of SHGs. Study suggested that the field staff should be well equipped in nurturing the development of the SHGs and should not succumb to pressure and hurry to meet the targets to attract subsidy.
Shishirkala et al., (2001) made an interesting study on tribal women headed dairy enterprise. The study was conducted in Ranchi district of Jharkhand State and title of the study was “Economic Viability of Tribal Women Headed Dairy Enterprise: A case study.”

The study was conducted with broad objectives of estimating the fixed and variable costs of different dairy units and to calculate the cost-benefit ratio of different dairy units to know the economic viability of tribal women headed dairy enterprises. Study found that the fixed cost accounted for 22.49 per cent of the total cost. Variable costs accounted for more than three fourth of the total costs. Out of this the cost of feed and fodder was found to be maximum. As part of the study it was observed that the bigger entrepreneurs were spending the least amount for producing one litre milk as compared to the entrepreneurs who had less than six cows. It shows that investment in dairy enterprise was economically viable and suitable for women particularly the tribal women in Bihar and Jharkhand States. Study concluded that the average net return of dairy enterprise was Rs.6,362 per month. The study further emphasized that with the active cooperation from NGOs and Government agencies the tribal women can prosper further in this regard.

Titus and Sebastian (2001) made a study on impact of micro-credit programmes operated by NGOs on rural women and the title of the study was “Impact of micro-credit programme of NGOs on Rural Women”.

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The study reviewed the micro-credit programmes of three NGOs Federations namely Gram Vidiyal and Sangamam operating in central Tamil Nadu. Objectives of the study were (1) to study the models emerging in the implementation of micro-credit programme by NGOs in the Tiruchirapalli district, (2) to find out the outreach of the programme; (3) to examine whether the programmes covered the people for whom it was intended; (4) to evaluate the micro-credit programme by measuring its impact on the participants; (5) to study the operational viability of the programme; and (6) to offer suggestions to improve the effectiveness of the programme.

The study revealed that the outreach of the micro-credit programmes showed an increasing trend in width and depth over the five years. Majority of the beneficiaries had taken the loans for productive purpose. Each of the programmes reviewed, covered about 300 villages and had a membership of about 1000. The programmes focused on rural women and at least a half of them belonged to scheduled caste. Study showed that NGOs had succeeded to a very large extent in reaching out to the poor through the micro-credit programmes. The impact of the programmes showed that more than 60 per cent of the respondents reported a monthly increase in income above Rs.300 arising of income generating activities. 81 per cent of the respondents had participated in the programmes for three years or more. Majority of respondents i.e., 87 per cent attended almost all the meetings without fail in a year. The members showed good understanding of the issues immediately concerning them at the group level. They were aware of issues such as dowry, voting rights, family planning. The study
concluded that the micro-credit programmes have contributed to the
growth of women entrepreneurs in the non-farm sector in a significant
way and succeeded in contributing to the women’s economic betterment
which would lead to taking up of the micro enterprises by them in the
long run. Recovery rate was very close to the cent per cent mark in all
five years in all NGOs. The annual joining rate range from 20 to 45 per
cent, which shows that the programme was continuously expanding over
the years. Study also suggested to strengthen the programmes.

Basu et al. (2002) made a similar study on empowerment of
women and the title of the study was “Empowerment of women in the
context of development: some issues and suggestions”.

The study examines the impact of development programmes on
women in terms of their access and control over resources along with
their standard of living so also the necessity for empowerment in the
context of development and group awareness both at the individual as
well as group community level. Data were collected from 13 villages
from three districts of West Bengal through interview method. The
study observed that the concept of post-natal checkup was almost absent
among the women of the village, particularly among the low income and
less educated section of the population. The uni-dimensional
development programme for improving maternal healthcare/ status for
pregnant and lactating women had so far failed to achieve the desired
results. Khasjalashi, a village of Panchala block, Howrah district, has
been selected for the study of DWCRA group in operation. Two
DWCRA groups had been organized from the two hamlets of the village
by a locally based NGO. Promoting self-employment scheme through DWCRA scheme was good enough for helping the socially deprived and poor women. The promotion of Jeri embroidery works by forming DWCRA group enlarges the scope for women of both religious groups of the area to become economically self-sufficient. About 55 SHGs groups had managed to get loans from their own group within a period 1996-2000. Promotion of sustainable eco friendly livelihood systems through animal husbandry, encouraging small entrepreneurship, promotion of savings habit and provision of credits for SHG members through different financial institutions created good effect on village women. Even non-member women showed interest in savings. DWCRA Project had made a significant contribution by providing financial assistance for self employment of the village women. Study concludes that the Women empowerment had been considered as a tool for community development which helps the women to accept a particular model of empowerment through income and awareness generation programmes designed by academicians / politicians / government/ administrators development activities/donor agencies and NGOs.

Institute of Social and Economic Change made a study on “Micro-finance, Poverty Alleviation and Empowerment of Women: A study of two NGOs from Andhra Pradesh and Karnataka.” The study attempts to find out the economic and social benefits of the micro-finance programmes on members of micro-finance groups. Primary data were collected from the project area of two NGOs in Karnataka and Andhra Pradesh, namely, Gram Vikas and Sanghmitra Service Society respectively. These two project areas are located in Kolar and Krishna
districts in Karnataka and Andhra Pradesh respectively. Data were collected through survey method, focus group discussions and semi structured discussion. Total 106 members households in six micro-finance group were collected for this study purpose.

The study showed that the micro-finance programmes do provide economic benefits to the people for whom the programmes were initiated. These economic benefits were mostly continued to availability of savings and credit facility, access to credit for consumption and production and use of credit for undertaking income generation activities. It found that economic benefits which more pronounced in the project area of Gram Vikas suggests that there were factors other than the microfinance at work here. There are availability of larger funds for income generation mostly due to NABARD’s Bank-SHG linkage programme and donor funds, and the existence of infrastructure (developed dairying activity in terms of well spread out marketing outlets). The study concluded that the micro-finance programmes do provide access to credit for the poor, enable them to undertake income generation programmes and contribute to higher recovery rates. The responsibilities such as development of economic infrastructure and providing additional funds to micro finance groups must be undertaken by the government as the micro-finance programmes can not alone alleviate the poverty. Thus, ISEC’s study further proved that micro-finance through SHG network has been the best bet for forging a coordinated effort for development of women.
Gupta, (2002) made a study on “Formation and functioning of SHGs in Hoshangabad district of Madhya Pradesh” with the Objective to examine the working of, Self-Help Groups in the State of Madhya Pradesh, in general, and in village Dandi Junkar, in particular. Dandi Junkar in Kesla block of Hoshangabad district was selected for the study. The village is having eight SHGs and the district has the largest number of SHGs in the state. Data were collected from the branches of the State Bank of India, District Co-operative Bank, Regional Rural Bank at Suktawa and Co-operative Society in the same village, which catered to the needs of SHGs of the village. Discussions were also held with the members of SHGs to get the information.

The study observed that the SHGs held meetings regularly. All the members regularly save some amount of money. SHG members work for a minimum period of six months as a savings and credit group. The SHG maintained records, meetings, member wise savings, common fund, fund creation/maintenance, loans given from common fund and recoveries etc., If none of the members of SHG group is literate, the son or daughter of any member writes the accounts and minutes of the meeting. The bank branch opens a savings bank account, in the name of the SHG, for which the Reserve Bank of India has issued necessary permission to the banks. Study found that in Madhya Pradesh till 31st March, 2000 a total number of 2272 SHGs were linked with branches of banks. These SHGs were given loans to the tune of Rs.4.10 crores and refinanced of Rs.2.77 crores. In Hoshangabad district 216 SHGs had saving bank accounts with the branches of different banks. Regional Rural bank Sukatwa, had a total number of 168 SHGs District Central
Co-Operative Bank, Kesla had saving book accounts of 35 SHGs State Bank of India, Kesla and Punjab National Bank, Tawanagar had 10 and 3 savings bank accounts respectively. For the year 2000-2001 it was estimated that 250 additional SHGs would be formed. Study also observed that the formation of SHGs in such a large number in Hoshangabad district could be due to untiring and dedicated work of NGOs namely PRADAN, NCHSE and BAIF. They initiated the work through Mahila Samithies in tribal villages. It is suggested that both the elements of targets and achievements for the government servants and bank subsidy would make the programme not only mechanical but also dilute the co-operative spirit among SHG members and hence the same could be avoided.

Jyothy (2002) made a study on SHGs in Tamil Nadu titled “Self-help Groups under the Women’s Development programmes in Tamil Nadu: Achievements, Bottlenecks and Recommendations” and found that women development depends upon capacity building, awareness and health, education, environment, legal rights, functional literacy and numeracy, communication skills, leadership skills for self and mutual help. Economic empowerment of women is also vital and the study profiles self-help groups of Mahalir Thittam (Women’s Development Programme) in Tamil Nadu and there are over 26,000 groups as on March 2000 in the State. The data on self-help groups reveal high degree of motivation and determination to succeed. On the basis of indicators, the growth of self-help groups and its members, percentage of SC and ST members, growth of savings and internal lending are discussed. The economic activities of SHG groups include production
and marketing of agarbat his, candles and soaps, readymade garments, pickles, papads and other items. The self-help groups are also enable women to perform various self-sustained activities, such as proper functioning of the ration shops, maintain vigil to prevent brewing of illicit-liquor, help the aged, deserted and widows, grow vegetables in their kitchen gardens and maintaining group unity and transcend barriers of caste, creed and religion. External credit linkages are essential to foster the financial sustainability of the SHGs. The study recommends removal of bias against SHGs by the bank officials, and each bank should have a special cell to assess the activities of SHGs and clusters should also be favorably disposed towards them to sustain the programme.

Kafmakar et al (2002) critically examined the role of women in SHG formation and also the issue of cooperation in a detailed manner through their study entitled “Role of women in the SHG: An emerging possibility to co-operation at grass-root”. The study examined the performance of the Self- Help Groups and co-operative societies in Midnapore district of West Bengal. Altogether 20 self help groups emerged in the Sankrail area of the Midnapore district, functioning well in the area. Experiments of SHGs are each SHG comprises of 10-20 members. Women meet together for the SHG meetings and at the same time they gain some knowledge on different problems of the village and their development also. Groups rotate the money to the needy members for various purposes at a specified interest rate. As the repayment is cent per cent and the recycling is very fast, the savings amount increases faster. The saving habit paves the way for the empowerment of women
and builds up confidence in them that they could stand on their own feet. Self-Help Groups are linked with the banks for the external credit under the projects of rural development. Banks provide financial assistance for various entrepreneurial activities such as setting up of petty shops, vegetables shops, charcoal making units and dairying etc. Self-Help Groups enhance the equality of status of women as participant decision makers and beneficiaries in the democratic, economic, social and cultural spheres of life. They encourage women to take active part in the social economic progress. The SHGs bring out the supremacy of women in moulding the community in right perspective and explore the initiative of women in taking up entrepreneurial ventures. So far 14 SHGs have sanctioned loan amounting Rs.24,850 and in 10 SHGs Rs.7,700 had been repaid within one year period. Rate of the overall rate of recovery was more than 50 per cent. Recoveries among all the 18 SHGs varied between 43.29 per cent and 7.35 per cent respectively. In cases of SHGs loan repayment has been 33.33 per cent to 35.29 per cent. SHGs had inculcated a great confidence in the minds of rural women to succeed in their day to day life.

Kaur et al (2002) made a study in Tamil Nadu on Women Entrepreneurs in rural areas. The title of the study was “Rural Women Entrepreneurs: A Study in Rural Tamil Nadu.” The objectives of the study were to identify the entrepreneurial talents of rural women and to find out the willingness of women entrepreneurs to learn new skills or improve their existing skills and their entrepreneurial interests. About 107 rural women were selected from three blocks of Dindigal district of Tamil Nadu. Data were collected through structured interview schedule.
The study observed that out of 107 respondents, only 19.6 per cent were skilled and the percentage of semi-skilled women was much higher with 79.4 per cent. About 50 per cent of the respondents were ready to learn or improve their talents. The number of women willing to improve their talents was more in backward block. About 49% of the rural women in the backward block were willing to start their own enterprise whereas in the developing block, only 25 per cent of them were willing to set up such enterprises. As regards the reasons for not starting their own enterprises, 4.5 per cent of women expressed lack of interest, 10.5 per cent of women did not have the motivation and energy, 46.2 per cent respondents were already occupied in other economic activities, 28.3 per cent expressed lack of confidence and awareness and 10.5 per cent reported not having money required to start an enterprise. Prevailing conventional customs and way of living, norms of modesty, male dependence and male dominance, illiteracy etc. were the other factors which had negative impact on the rural women in starting their own enterprises. It is suggested that technical and financial assistance may be provided to rural women and efforts should be made to educate them and improve their entrepreneurial management and marketing skills.

Thus, the study elucidates the micro-level conditions which are hindering the promotion of women enterprises in rural Tamil Nadu. The spark within appears to be the prime factor in forging women empowerment as considerable of rural women in this context expressed certain motivational and awareness factors as prime reasons behind starting their own enterprises.
Reddy (2002) in his study on “Empowering Women Through Self-Help Groups and Micro-Credit: The Case of NIRD Action Research Projects” made an attempt on how Self-Help Groups promoted among women as part of Action Research leads to women empowerment. The study describes that thrift and credit was strategic entry point for the action research intervention in Ranga Reddy district of Andhra Pradesh.

The study concluded that organisation of self-help groups and development of their institutional and managerial capacity is an imperative element in the empowerment process of women. The formal financial institutions such as banks DRDA had come forward to extend loans for income-generating activities for SHG members. Women interacted with external agencies and professionals with confidence, which was an evidence of improved social skills and approachability. They were able to be particular about their needs and seek help from various schemes of development.

Thus, the observations of the study confirm the process that concept of Self-Help Group approach would certainly help women to overcome their difficulties and follow successful path of self-development. The study confirms that participation in Self-Help Groups would certainly lead to development of certain social skills besides providing economic independence.
Patil (2002) conducted a study on rural development programmes and their impact on women beneficiaries of Dharwad district of Karnataka during 1999-2000. Selection of villages was done by random sampling technique and 120-beneficiaries from eight villages were selected purposively who had taken self-employment as a venture. The information about various developmental programmes being implemented in the Dharwad district was collected from the Block Development Office and Zila Parishad. Out of those different schemes TRYSEM and DWCRA programmes were selected, because these programmes helped maximum number of women beneficiaries to start self-employment. The independent variables selected for the study were, age, education, occupation, caste, marital status, type of family, family sizes, type of house, land holding, annual family income, social participation and mass media participation. Knowledge were the dependent variable. The data were collected by personal interview method by using pre-tested schedule.

The data revealed that education, social participation and mass media participation had positive and significant relationship with the level of knowledge of beneficiaries. However, no relationship existed between knowledge level and remaining independent variables like age, family type, family size, land holding, annual family income and extension contact. An educated women would be in a better position to collect, interpret, utilize and related information in day to day life. Though their participation in social institution was very low, their indirect participation either as member or office bearer might have contributed to gain knowledge. Mass media are important sources of information. Women who were exposed to mass media gained better knowledge.
The study reinforces the belief that the inner-self of women should be strengthened first to make them on par with men in rural societies. Education has nevertheless played vital role in the study under reference. Further, women need to be exposed to mass awareness campaign to gear themselves for developing receptivity to participate in development activities.

In a similar study of Rangi et al. (2002) titled “Economic Empowerment of Rural Women through Self- Help Groups : A Case Study of Fatehgarh Sahib district (Punjab)” which was conducted with the objectives (1) to study the socio-economic profile of members of the self-help groups (SHGs), (2) to examine the credit availed by the members of the SHGs and (3) to study the impact of SHGs on income generation for its members. The Fatehgarh Sahib district was randomly selected. Out of five development blocks two blocks namely, Khamano and Khera were randomly selected. From Khamano 26 SHGs and 39 SHGs from Khera blocks were selected. Twenty-five members each were randomly selected from various SHGs in both the blocks. Information was collected through personal interview method. Secondary information was collected through published sources.

Study revealed that the majority of the respondents of the SHGs were in the young age group and educated, though, the level of education was not very high. Two- third of them had their own land but majority of them belonged to the small and marginal farmers families. Study found that about 18, 62 and 20 per cent of the respondents of three districts became member of the SHGs in the years 1998, 99 and
2000 respectively. Before 1998, no SHG was set up in the Fatehgarh Sahib district. All the respondents saved a sum of Rs. 100 per month with their respective SHGs. Forty-four per cent of the respondents borrowed from the internal sources of the SHGs during the year 2000-01 and 62 per cent had taken loans from the banks with the help of SHGs. The amount of loans taken from the banks was high as compared to the internal borrowing firm, the SHGs but the rate of interest was high in the later category. The internal and external loans to the members of the SHGs have benefited them for their economic empowerment. The additional income generated with the help of SHGs have provided them big normal support and will to bring new changes in the rural economy of the State as well as of the country in future.

Rizwana (2002) examined the economic empowerment of women through her study on “Economic empowerment of women through women development corporations: A Study of Maharastra Women Development Corporation.” The study made a detailed examination of process of women empowerment by examining the working of Mahila Arthik Vikas Mahamandal limited, (MA VIM), the activities undertaken by it and the benefits derived by the women’s beneficiaries.

The study was carried out in Amavati district of Maharashtra. To facilitate implementation of the programmes, activities for the development of the women in Maharashtra, MA VIM, was established. Under its various schemes activities were introduced such as kerosene scheme, offering dealership to sell Kerosene, setting up of canteens for selling eatables, provision of accommodation for working women by
setting up working women’s hostel, and assistance in sale of stationery articles. Also assistance was extended by way of supply of nutritious food (snacks) to primary school students. Apart from MA VIM, Maharashtra Rural Credit Programme (MRCP) assisted by International Fund for Agricultural Development was also implemented in the State which has helped the population by way of grant of loans for various rural development activities. In spite, the various schemes implemented under MA VIM and MRCP, it was noticed that due to rapid change in the requirements and expectations of the rural population the affectivity of the scheme was not satisfactory and there were shortcomings in their implementations. Further, MA VIM has implemented Maharashtra Emergency Earthquake Rehabilitation Programme to help the Latur earthquake victims which resulted in the diversion of the resources of MA VIM.

Roy Burman et al. (2002) in their study on “A glimpse into self-help in tribal areas”, analysed the programme of Self-help Groups in tribal areas in India. In most cases SHGs are formed through active involvement of nongovernmental organisations (NGOs) or voluntary organisations. It is observed that the element of self-help has been taken up at the expense of the state structures-weakening the sovereignty of the state. The main importance of SHGs is to link up the grass roots development processes and financial transactions to the international monetary order. According to NABARD data (1999-2000) SHGs availing credit has increased from 3,941 in 1997 to 81,780 in 2000. The total number of SHGs linked to banks stand at 1,14,755 in March, 2000. Eighty-five per cent of them are women groups. The number of financial
institutions, extending credit to the SHGs has increased from 120 in 1997 to 266 in 2000. The SHGs are operating in 362 districts of 24 States and Union Territories. The number of NGOs dealing with SHGs has increased from 220 in 1997 to 718 in 200p. The recovery rate in some select villages of different States was 37.88 per cent from non-SHG members and 92.30 per cent from SHG beneficiaries. The poorest are generally not members of any SHG and in some villages, they are not even aware of the efforts, made by NGO / banks in forming groups in their village. This feature is common in the tribal areas of all the states covered in the study. It is found that nearly 30 per cent of the SHGs covered under the study evolved from pre-existing groups (PEG) in rural areas. In the tribal areas covered, the SHGs are successful more among the powerful and the richer groups. It is concluded that the system has only one point agenda- earning income. SHGs may often appear to be self- reliant, but in reality they are not. It should be realised SHG formation and the associated activities reflect a posture of populism and there are inherent dangers in it. The authentic self-help activities in the tribal communities are possibly the ones, which can withstand the onslaughts of neoliberalism.

Sarada Devi and Rayalu (2005), in their study on factors functioning in women empowerment in urban areas conducted in Hyderabad, identifies various aspects related to the empowerment of women and assesses the level of differences between working and non-working women in the perception of women’s empowerment. Seventy-five working and 75 non-working women were selected randomly from the twin cities of Hyderabad and Secunderabad of Andhra Pradesh. Data
were collected though interview schedules. Study showed that working women perceived more problems due to more power in the family than non-working Women. Non-working women faced problems due to powerlessness when compared to working women. Non-working Women had more aspirations related to power as they were deprived of required power status in the family. Both working and non-working women felt that their personal freedom and self-interest were their first priority in power persuasion. The power ratio was better for the working women than non-working women and more number of non-working women used different strategies to get power. More number of non-working women perceived discomfort in performing their daily roles and experienced more restrictions on them as compared to the working women. Lack of freedom to spend money, inability to pursue self-interests, loss of personal mobility and authority of spouses on personal affairs were the problems experienced by the non-working women.

In the past Puyalvannan (2007) made a study on SHGs in Tamil Nadu. The study Micro-credit Innovations A study based on “Micro Credit, Women empowerment and living of SHGs with co-operative banks in two districts in Tamil Nadu”, was conducted in Trichy and Pudukkottai district of Tamil Nadu. The study revealed that, SHGs has formed by fifteen approved NGOs in the Pudukkottai and Trichy districts. The members have granted loans for varieties of purposes, both productive and unproductive. Results have shown that women are credit worthy and responsible users of credit. Recovery is monitored by the group members and they are discussed regularly in the group and group meetings. The recovery is reported to be 90 per cent in the Pudukkottai
district. Social impact of SHGs operation in the area show that the women members have achieved political empowerment by winning elections in panchayat boards. SHGs have established effective networking with other government organisations, NGOs etc. Many SHGs were given micro entrepreneurship training and they have equipped the members to do varieties of activities.

Further, women members attended literacy camps, conducted meetings of the groups regularly, discussed freely problems with officials and go to the extent of meeting district collector frequently with written complaints about required developments in their respective areas. Panchayat works are undertaken by SHGs with the efforts of group members. Area development and members development are visibly seen through SHG and linkage activities. At the initial stages NGOs and women development corporation have dynamic role in forming SHGs in Trichy district. Finally, the study observes that poor women are credit worthy and responsible user of credit, facility and systemic rule minded.

The study, thus supports the view that as far as microcredit is concerned women are at most advantageous stage and if, at initial stages, women are loaded properly through awareness etc. they can cross all the hurdles and can take care of their own economic development.
Sudharani et al. (2008) conducted a study on SHGs and empowerment found that the participation in the self-help groups enriched the women in house managements, health and sanitation, leadership qualities and economically. The decision-making capacity of the SHG participants increased with the period of participation.

Rao and Sarojani (2010) conducted a study on “Tribal self-help groups - strengths and weaknesses” and revealed that majority of the sample have inclination and interest towards political participation and are well aware about banking system.

GROUP CHARACTERISTICS

Group interaction

Muller (1997) reported that social participation and training showed a positive correlation with group interaction in effective groups.

Sreedaya (2000) reported that planning, production and marketing aspect of vegetables were found to be positively and significantly correlated with group interaction.

Rama Rao and Kurmacharyulu (2002) found that the members joined in the group with the expectations of getting income, income generating activity has also been taken by the group with a spirit of group approach, the position improved after joining in the groups and holding regular group meetings and sustainable flow of additional income.
Group Cooperation

Goutam and Simha (1990) Opined that the problem of non-functioning of DWCRA groups in Himachal Pradesh was due to lack of cooperative zeal among members of the group.

Bardhan (1993) revealed that cooperation works better in small groups with similarity of needs, clear boundaries and shared norms and patterns of reciprocity.

Muller (1997) reported a positive and significant relationship between social and extension participation and group co-operation.

Sreedaya (2000) opined that cosmopoliteness and high social participation would influence behaviour as a result they show more cooperation with the members of the group.

Group leadership

Han Kumar (1990) reported that the success of group forming programmes depends on effective farm leader.

Neog (1991) reported that prevalence of common felt needs among group members is the basic requisite of group forming success and it is significantly associated with dynamic leadership.

Seethalakshmi and Jyothimani (1994) reported that the leadership role played by the group organizer is of great importance in making DWCRA group active.
Sreedaya (2000) reported that the leadership of Kerala Horticulture development programme (KHDP) SHGs functions in a better way due to the concept of master farmers.

Need Satisfaction

Shaw (1993) reported that a self help group can be sustainable only if it serves purposes important to its members.

Muller (1997) found that training gives the members of the group more knowledge leading to achievement of group goals and hence increase need satisfaction.

Sreedaya (2000) reported that as the people are more experienced and more success oriented they are able to tackle their problems more wisely and try to satisfy their needs.

Team Spirit

Mukherjee (1997) reported that some people in community have individualistic approach and do not easily get involved in community efforts. Participatory group approach depends largely on collective activities, initiatives and efforts.

Sreedaya (2000) reported that members who do not had high perception about the group will try to maintain a cohesion within the group and develop team spirit.
Venkata Ravi (2004) conducted a study on role of NGOs in promotion of SHGs reported that the women find ways and means of additional income generation by taking up micro-enterprise at the village levels. The collective for gaining strength has indirectly increased the confidence of poor to take the income generating activities for augmenting their earning capacity.

**Equity**

Hay (1995) observed that equity means people enjoying equitable access to opportunities. Development without equity means a restriction of choices of many individuals in Society.

Fernandez (1998) reported that for the sustainability of self help groups the equity should be ensured. Sreedaya (2000) found that to develop a sense of equity among members participation either as a member or as an office bearer is required.

**Accountability**

Surendran (2000) reported that there is high level of accountability in quasi governmental groups and non-governmental organizations. Sreedaya (2000) reported a positive correlation between accountability and educational status and experience in vegetable cultivation.

**Interdependence of members**

Hussain (1992) reported that interdependence of group members is a very important characteristic affecting group cohesiveness.
Muller (1997) reported that if members feel that they can work independently they should be removed from the group and the members who are willing to work with interdependence alone need be retained as a member of the group.

Sreedaya (2000) observed that higher age, educational status and social participation might have created a better awareness among the members about their role in the group and they try to help each other for the prosperity of the group.

**Transparency**

O’Brien (1997) is of the opinion that governance involving participation and transparency were essential for sound development.

Cambesus (1998) observed that increasing transparency of government operation decreases the chances for corruption and enhances public accountability.

FAQ (1999) observed that transparency has to built into management functions in farmers organizations no matter whether leadership is shared or not.

Sreedaya (2000) defined that transparency is one of the effective ways to ensure fair and equitable delivery of goods and services to the people.
SOCIO-DEMOGRAPHIC AND PSYCHOLOGICAL CHARACTERISTICS

Age

Jayalakshmi (1996) Stated that age has a non significant relationship with the entrepreneurial behaviour of rural women.

Varma (2002) Stated that age is significant factor that can influence the attitude of farm women towards starting their own enterprises in agriculture and allied areas.

Education

Jayalakshmi (1996) found that education was positively and significantly related to the entrepreneurial behaviour of farm women.

Muller (1997) stated that in effective groups, the educational, status of the respondent showed a positive correlation with group cooperation.

Extension Participation and Training

John (1991) found that more membership in groups itself had enhanced the extension participation of the members and he found that extension participation has positive and significant influence on adoption of pepper cultivation practices.

Muller (1997) reported a positive and significant relationship between extension participation and group decision making.
Thomas (1998) reported that training was positively and significantly related with farm women’s role perception.

**Social participation**

Varma (2002) in a study on a multidimensional analysis of self employment among farm women revealed that Social participation had a positive and significant relationship with attitude towards self-employment.

Thomas (1998) observed that a positive and significant correlation exists between social participation and participation of farm women in watershed development programmes.

Te-so-riero (2006) conducted an evaluation study of women’s self help groups (SHGs) in an area in South India. Groups were evaluated not in terms of their success in micro-credit schemes but in relation to their contribution to gender development. Evidence emerged that women perceived changes in their identity towards working collectively to influence for change at the village and panchayat levels. They engaged in community and social action programmes, both at the local level and by joining with issues beyond the local level.

**Mass media contact**

Porchezian (1991) found that mass media contact is not significantly related with entrepreneurial behaviour of farmers.
Lalitha and Nagarajan (2004) conducted a study on “Empowerment of rural women through self help groups” revealed that the dynamic functioning of SHGs in the villages has resulted in spread effect, increase in savings, repeated visits to panchayat union office demanding various amenities etc. Which the groups had availed certain benefits like street light, roads etc.

**Achievement Motivation**

Seema (1986) reported that no significant relationship between achievement motivation and participation in implementing decision by farm women.

Thomas (1998) found that achievement motivation had a non significant effort on extent of participation of women in watershed development programmes.

Sreedaya (2000) reported a positive and significant relationship between achievement motivation and need satisfaction of farmers.

**Credit orientation**

Nizamudeen (1996) observed that credit orientation behaviour of jasmine flower growers had prompted them towards successful adoption of the cultivation practices.

Sindhu (1997) reported that a non-significant relationship between credit orientation and conceptaul skill of cut flower growers.
Sreedaya (2000) observed a positive and nonsignificant relationship between credit orientation and planning production and marketing aspects of vegetable farmers of KHDP and IVDP self help groups.

**Economic Motivation**

Shanthi (1996) reported that earning money to meet day to day requirements is the prime motive of women labourers in rice farming and hence economic motivation has emerged as the most contributing variable to managerial efficiency of these farm women.

Sivaprasad (1997) found that economic motivation is an important character that persuades people to adopt improved practices that are proven worthy.

Thomas (1998) reported that the more one is motivated by economic ends, the more he will try to adopt practices which are aimed at increasing sustainable returns.

Appa Rao (2002) reported that DWCRA has major impact in building self-confidence, economic development, social empowerment and development of skills.
Summary

The foregoing review of literature reveals that development is a complex phenomenon, with many forms and many causes. Yet, while human deprivation can take a number of forms, its essential features are remarkably similar across countries and locations. With this background the empirical investigation of the problem role of self-help groups in women’s economic development was undertaken, as this process differs from the individual beneficiary oriented schemes experimented earlier.