CHAPTER II

REVIEW OF LITERATURE
CHAPTER II
REVIEW OF LITERATURE

Review of Literature places a research study in its proper perspective by showing the amount of work already carried out in the related areas of the study. These information's were collected through various sources such as Books, Journals, Magazines, Newspapers etc., the following are the reviews relating to Empowerment of women, Micro Finance, Micro Enterprises and Socio-Economic activities of SHGs.

1. Indian Bank (1995) had conducted a study in Tamil Nadu, covering 45 branches of their bank and 101 SHGs. The study examined only the transaction costs of the branches under different models for credit delivered for medium term loans up to Rs. 25000. It concluded that lending to SHGs, which on-lend to borrowers with NGO acting as non-financial intermediary, resulted in saving of transaction costs to the extent of 45% as compared to lending under government sponsored programmes and other direct lending projects.

2. BIRD (1996) "Bank Performance Improvement" a study under the Maharashtra Rural Credit Project (MRCP) concluded that with SHG intermediation, the transaction and risk costs of the advances to the rural branches could be brought down that could help in turn around many loss making rural branches.

3. According to Shridharan, Damyanty (1997), 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. "Women's contribution to national

---

development is crucial”. The process of economic development would be incomplete and lopsided unless women are fully involved in it. “Emancipation of women is an essential pre-requisite for the economic development and social progress of the nation. “The SHGs empower women and train them to take active part in the socio economic progress of the nation and make them sensitized, self-made and self-disciplined. To remove the social limitations of women such as superstition, and male dominant role in decision-making, the SHGs have inculcated a great confidence in the minds of rural women to succeed in their day-to-day life.

4. A study by B.K. Gopalakrishnan (1998)⁴ has indicated that the SHG women showed positive change towards child care, environment, sanitation, drinking water, public speaking and child education. Most of the women shown interest in sending their girl child to school and also involved in prohibiting arrack sales in their area. It indicates the involvement by the women in the overall development of their area.

5. M.D. Dodkey, (1999)⁵ has stated that awareness of women enhanced under group strategy fared more significantly than others in the empowerment process. Women in SHG got empowered with information on hygiene, sanitation and health. The SHG strategy provides women a chance for educative programme, awareness creation on issues such as drinking water and sanitation, family planning, literacy. Moreover the group helps women to interact among themselves and enhance their participation in development.

6. Girija and Satish (1999)⁶ in their study on “Impact of SHG Lending on the Profitability of Branches” studied eight branches where the SHG lending constituted more than five per cent of the loan portfolio. They concluded that lending to SHGs

⁶ Srinivasan, Girija and Satish (1999), Impact of SHG Lending on the Profitability of Branches”, Rural Banker, Issue No.21, p. 22.
and NGOs carried the least cost when compared with other models of lending. Lending through SHGs reduced the costs by 85% and through a federation, reduced the costs by 95% as compared to direct lending. The default risk was negligible in the case of lending to SHG and NGO/federation.

7. (M. Ariz Ahmed, 1999)\textsuperscript{7} has stated that, in some parts of the Assam, the women groups were in the form of vigilance committees working at village level for supervising the execution and monitoring of the rural development activities. These women groups have also involved in prohibition of elicit liquor, afforestation, creating awareness on development schemes and implementation of different development schemes.

8. Sakuntala Narasimhan (1999)\textsuperscript{8} felt that the strategies for the empowering of women must focus beyond economic restructuring and to improve the social relations which constrain and restrain women. She stresses social assurance and motivation as the most important directions, especially for rural SC and ST women, to fight out for their cause. She feels that awareness is empowerment. Women need to be aware of what they can do legally, positively and constructively to overcome their oppression.

9. According to Murugan and Dharmalingam (2000)\textsuperscript{9}, Empowerment of women through Self Help Group would lead to benefits not only to the individual women and women groups but also for the family and community as a whole through collective action for development. Empowering is not just for meeting their economic needs but also through more holistic social development.

10. Puhazhendi V., (2000)\textsuperscript{10} has stated that Self Help Groups is the beginning of a major process of empowering women and to provide increased access to resources and control over factors contributing to women empowerment particularly in the areas of health, education, information, self-development, skills, employment and income generating opportunities. The Self Help Groups are formed to save and contribute to a common fund from which small loans are provided to the needy in the group. The SHGs have become appropriate community based organizations that hold key for participatory development, with an element of alternative rural credit delivery system.

11. Jaya Anand (2000)\textsuperscript{11} has concluded that women are empowered with information and resources. It enabled them for initiating social action against dowry system, alcoholism, illiteracy and other social issues, the collective strength of women under the SHGs has increased their ability to take up and work for the social empowerment.

12. (C. Gangaiah, 2000)\textsuperscript{12} has concluded that in Andhra Pradesh, SHGs are also involved in the awareness generation on pre-natal and post-natal stages, safe drinking water, family planning, pulse polio and maternity benefits scheme. Further, they are enabled to access more information on development. Thus, the SHG work as a forum in which women can undertake collective action for their progress and also to fight against various social evils.

13. Kalpana Sinha (2000)\textsuperscript{13} brought the experience from Bangladesh, Sri Lanka, India, Canada, Australia together on women empowerment, women in leadership, and women entrepreneurship. All the contributors underlined the need for women

\textsuperscript{10} V. Puhazhendi and Employment Generation Among Rural Poor: An Approach through Informal Groups”, \textit{Indian of Agricultural Economics,} Vol. 5, No. 3, July-September.


\textsuperscript{13} Kalpana Sinha (Editor), Empowerment of women in South Asia, AMDISA and SAARC, Hyderabad, New Delhi, 2000.
empowerment through self employment, improving the role of women in the socio-economic development, reduction in gender bias in organization leadership, gender approach to harness the women resources, empowering of rural women through IGAs, etc. All studies stressed the need for empowerment of women through economic development and equally dealt upon the social development aspect also for the sustainability of the programmes.

14. Vasudava Rao (2000) in his study on the “Swasakti Banks” established, organized and run by SC women through self management, has observed many changes in the thinking process of women. Those SC women who were once passive recipients have now become vocal, articulate and active stakeholders. They are able to ask for equal wage, self esteem, and are able to provide better education, nutrition and health facilities for their girl children. On the community front they could stop the social evil of jingoism and prevented men from taking alcohol. Thus the illiterate SC women could gradually change the social scenario, though silently but steadily, towards better tomorrow.

15. Sundari and Geeta (2000) opines that the gender disparity in access to institutional credit is gradually narrowing down over time. Women should be encouraged to undertake micro enterprises with the available credit facilities by banks and other financial bodies. Poverty is often the consequences of unemployment, which being gender related, leads to feminization of poverty, poverty particularly affects women. However, authors opine that factors such as, training and skill formation, technology upgrading, credit, women’s Bank, supply of raw material and market, promotion of small savings and publicity could contribute to empowering women.

---

16. Mahad Sen (2000) has attempted a study to find out the development of SHGs promoted by Sreemamahiala Samity and its impact on women members. It was a study of 10 SHGs selected in Nadia district on a random sampling technique in July, 1999. The study included focus group discussion with the members of the SHGs in separate sessions followed by interview of 100 members through structured schedule. The findings of the study revealed that the individual loans were mostly used for productive purposes, the rate of recovery was very high compared to the rate of recovery of the formal institutional system and group dynamics was an instrument for change in the quality of the life of the poor people. The study also revealed that other than economic activities, the groups worked towards primary education, basic health care of family, safe drinking water and environment protection. The study concluded that group cohesion, group action, need-based credit timely repayment is essential elements for sustainability of the groups.

17. Kallur, M.S. and Biradar, A.A (2000) in their micro level study aimed to examine the role of non-governmental voluntary organizations in promoting the micro-credit institutions and to comment on their sustainability in the years to come. The study was based on secondary data. The study has thrown light on the origin and the nature of micro-credit organization and its superiority over macro ones in catering to the need of farmers. It also revealed that as a result of continuous efforts of NABARD, 255 groups linked together as on 31st March 1998 and had increased to 14317 covering 30 commercial banks 100 RRBs (Regional Rural Banks), 17 co-operative

---


banks, 260 NGOs in 19 states and two union territories involving bank a loan of Rs.23.62 crore and NABARD refinance of Rs.21.38 crore. The study also discussed the role of micro-credit organizations with particular reference to the Indo-Swiss project and their sustainability and concluded that the NGOs have succeeded in promoting SHGs.

18. According to Gurumoorthy (2000)\textsuperscript{18}, Empowering women contributes to social development. Economic progress in any country whether developed or underdeveloped could be achieved through social development. The Self Help Group disburses micro credit to the 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 self help groups. 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.

19. The National Bank for Agriculture and Rural Development (NABARD, 2000)\textsuperscript{19} studied on the impact of micro finance (MF) on the living standards of SHG members. The study revealed a wholesome change in the living standards of the SHG members, in terms of ownership of assets, increase in savings and borrowing capacity, income generating activities and income levels. The study concluded that the involvement by the members in the group significantly contributed in improving the Self-Confidence of the members. The feelings of Self-worth and communication with others improved after association with the SHGs and the members were


relatively more assertive in confronting Social evils and Problem situation. As a result, there was a fall in the incidence of family violence.

20. Manimekalai (2000)\textsuperscript{20} studied the “NGOs intervention through micro credit for Self-Help Women Groups in Rural Tamilnadu” the study attempted to analyse the working of the SEVAI (Society of Education Village Action and Improvement) in empowering women and the rural poor through micro-credit. The study revealed that the women in rural areas were really longing for supplementary income and the intervention through micro-credit by both the government and non-government organizations was a boon to them. It also revealed that, after the micro-credit intervention of SEVAI, the education of the children was better and the women were able to manage the household activities without any problems of deficit in their budget. The study concludes with the suggestion that other institutions working for the development of women could follow micro credit strategies.

21. A.N. Sankar (2001)\textsuperscript{21} has concluded that majority of the economically weaker section came into SHG, after joining SHG the member’s average income, employment and value of the assets owned by them has increased. The SHG strategy has made positive impact on the empowerment of women in terms of increasing their economic capacity.

22. Snehlata Tandon (2001)\textsuperscript{22} has indicated that Self Help Groups focuses on changes and change-oriented skills, to help women to achieve insight, empowerment, and finding a new way of life. This strategy has made the rural women to discover their strength, self-confidence, social and economic abilities and capacity. The SHGs


makes the women work collectively and understand their strengths, which they have and can be used for their development.

23. According to Agarwal, Deepti (2001), Women are critical actors in the process of moving their families out of poverty. Women need to be viewed not as beneficiaries but as active participants in the process of development and change. Empowerment of women can be effectively achieved if poor women could be organized into groups for community participation as well as for assertion of their rights in various services related to their economic and social well-being. Simultaneously micro-credit and SHGs are also key elements for the empowerment of the rural women and help them to improve their living conditions and acquire small capital assets. A systematic strategy seeking to change societal attitudes towards women improves women's self-perception; create an enabling policy, institutional and legal environment and faster economic empowerment through mobilization. Thrift, easy credit, up gradation of services and improved income generation opportunities are essential for emancipation.

24. Choudhury, R.C. and his team (2001) conducted a study to document the experience of SHGs in promoting micro enterprises through micro-credit interventions and the efficacy of Self Help Promoting Institution (SHPI). The study on poverty reduction and efficacy of SHG route for micro enterprise promotion. The main objective of the study was to analyse the operating system in SHGs, to explore the effectiveness of SHGs in identifying the micro enterprises and to suggest appropriate policy intervention for effective performance of SHGs. The study was carried out in selected clusters spread over regions in the states of study covered 76

---

SHGs, 450 members and 135 micro entrepreneurs from five regions. The case study -cum-survey method was followed. Secondary data were also collected from the records of SHGs. It was observed that group enterprise on a big scale would involve greater risks but would yield better returns to the entrepreneurs. The study brought the fact that, out of three SHPIs namely, NGOs Banks and Government, NGOs were better equipped for capacity building of SHGs and promotion of micro-enterprises. The study also showed that SHG were still in a state of flux and their sustainable development depended on a number of factors which were internal and external to the organization.

25. Dadhich, C.L. (2001) conducted a case study on Oriental Bank Grameen Project at Dehradun district in Uttar Pradesh, for assessing the benefit of the project and economic viability. Out of a total 450 SHGs covered by the project, 447 were women groups and only 3 were men SHGs. The main findings of the study revealed that a large number of women had taken up subsidiary occupation and consequently their family incomes had substantially increased. An analysis of figures relating to income and expenditure of a specialized micro-credit branch revealed that the branch had become a profit-centre right in second year of its operation. The recovery of the loans was more than 100% of the demand. The study also revealed that the borrowers under Oriental Bank Grameen Project had both the advantages of fine rate of interest, as well as hassle-free credit, whereas their counter parts elsewhere were paying exorbitant rates of interest.

26. Devasia, Leelama (2001)\textsuperscript{26} says Women’s empowerment should be increased not only in financial terms but also of socialization attitudinal and motivational. There is no need for much inventions and innovation to empower rural women. What is needed is reorientation, mobilization and realization of women friendly environment in the rural areas.

27. According to Anand (2001)\textsuperscript{27}, Women’s empowerment is not merely important but crucial if development is to be sustainable. Empowerment is the process of building capacities of creating an atmosphere, which enables people to fully utilize their creative potential in pursuance of quality of life. Empowerment gives women the capacity to influence decision-making process, planning, implementation and evaluation. It also deepens and popularizes the democratic process.

28. The National Institute of Bank Management (NIBM, 2001)\textsuperscript{28} has studied SHG in four district of Maharashtra promoted under Maharashtra Rural Credit Project (MRCP). The study observed that 69\% of the groups were of the size 11-20, 50 \% of the office bearers had at least a secondary level of education. The study revealed that the average savings of the SHGs in MRCP was Rs. 24 per month per member. This rate was more for new groups than for the old groups. The study also found that the average amount of savings mobilized amounted to Rs. 10,658 per group and that the SHGs and MRCP had started lending their own thrift capital from the eighth month of the formation.


29. Friedrich Ebert Stiftung (2001)\textsuperscript{29} has stated that the SHG is an exclusive organization of women as direct stakeholders and also democratically organized and managed. The women have valuable common stakes in the SHG, which are promoted or voluntarily organized in the communities. Such common stake in the groups, significantly have effect on their effective participation and also decision-making of their groups.

30. Namboodiri and shiyani (2001)\textsuperscript{30} conducted a study to find out the basic features and financial operations of SHGs promoted by both SHPI and NGOs served by the panchmahals vadorara Bank (PVGB). A sample of five branches of PVGB was selected, out of which three are located in Dahod district and two in panchmahals district, Gujarat. The results revealed that the repayment performance of the SHGs promoted by the SHPI was superior to that of NGOs.

31. Satish. P (2001)\textsuperscript{31}, in his study covered groups formed by the NGOs and Banks. The secondary data and materials were collected from the period 1997 to 2000 at the Bankers Institute of Rural Development (BIRD, Lucknow). The study revealed that several SHGs included very poor members and the process of SHG formations had to be systematic. The study concluded that the NGOs were more suited for forming and nurturing the SHGs.

32. Lalitha N. and Nagarajan B.S., (2002)\textsuperscript{32} has stated that once economic empowerment is achieved in terms of availability of credit facilities with better bargaining power, and other basic necessities of life has implications on overall

\begin{itemize}
  \item \textsuperscript{29} Friedrich Ebert Stiftung,, (2001), " NGO Civil Society and Government in Nepal ", accessed from www.pansia.org.sg
  \item \textsuperscript{32} N. Lalitha & B.S. Nagarajan, (2002), \textit{self help groups in Rural Development}, Dominant Publishers and Distributors, New Delhi.
\end{itemize}
social empowerment. Women participation with economic strengths in-group activities leads to changed self-image enhanced access to new information, skills, knowledge about resource availability and collective action. It results in improving their ability to take decisions both at home and in community.

33. Sudha and Uma (2002) had undertaken a study to evaluate the social status of women in house management, leadership qualities, health and sanitation and economic status, after participation in the Self Help Groups. The study observed that the participation in SHGs enhanced the empowerment of women in these four aspects and self-confidence and decision-making power among the women has increased.

34. Archana Sinha (2002) revealed that the Self Help Groups and micro-credit should be seen as one of the components of a solution to accelerate the Socio economic development particularly of the rural poor women in India. A judicious mix of micro-credit along with other activities with emphasis on development and empowerment strategies and processes would certainly make micro-credit an effective instrument of social and economic development particularly of the women in a holistic and integrated manner.

35. K.Ananthan (2002) has pointed about “Women Entrepreneurs”, there are 1, 70,000 women’s self-help groups (SHGS) in TamilNadu comprising 29, 00,000 members and their savings was Rs.470 crores, while their credit was Rs.722 crores from banks. The Majority of the groups are involved in rotating their group savings for various needs.

36. Dr. L. Nirmala (2004)\textsuperscript{36} on her study on “Changing Status of Rural Women” has concluded that the majority of the poor women belong to landless agricultural labourers and marginal farmers. They show excellent capacity in management of poverty but find it difficult to manage large assets. In spite of their virtual lack of access to means of improving their income, women make an essential contribution to their family survival. Hence, it is necessary to make our efforts towards long term problems, such as the low social and economical status of women. The participation of women in SHGs made a significant impact on their empowerment both in social and economic aspect. The SHG is a suitable means for women empowerment.

37. Nambiar and Bandyopadhyay (2004)\textsuperscript{37} a case study on women elected representatives in the post-73rd CAA phase, have reported mixed impacts. On the positive side we find that women despite their low level of literacy became articulate. They began asserting control over resources. They regularly attended Panchayat meetings. In many instances they have used their elected authority to address several critical issues such as children’s’ education, drinking water facilities, family planning facilities, hygiene and health, quality of health care and village development such as pucca road and electricity in their Panchayat areas. They have also brought alcohol abuse and domestic violence on to the agenda of political campaigns.

38. Dr. E. Mubarak Ali (2005)\textsuperscript{38} in his study, on “Women Development Project in TamilNadu” has concluded that in 1991-92 the TamilNadu Women Development Project Started on an experimental basis in Dharmapuri district with external funding from International Fund for Agricultural Development (IFAD). As on 31.03.2004 the

\textsuperscript{36} Dr. L. Nirmala – “Changing status of Rural women” Kissan World May 2004.
\textsuperscript{37} Nambiar Malini and Bandyopadhyay Kaustuv Kanti, 2004, Self-Help Groups: Engagement with Governance Institutions Participation and Governance, Volume 0. Number 29, March
\textsuperscript{38} Dr. G. Mubarak Ali – Jamal Mohamed College, Trichy. “Women development project in TamilNadu”, Kissan World Jun 2005
membership has crossed 27.50 Lakhs women in 1,62,139 SHGs with 1,26,204 rural SHGs. The Self Help Groups have mobilized a saving of Rs.439.34 crores. He also pointed out that for the benefit of SHGs; Women Recreation Centers are created at village panchayat level. About 275 WRCs were established. About 2500 new groups have been formed and about 4.22 lakhs women were enrolled. For the year 2004-2005, provision has been made for Rs.175.00 lakhs for imparting vocational and skill training to 17,500 SHG women. Women development Project in TamilNadu is has a network of women’s Self Help Groups established and monitored with the assistance of NGOs. Further the growth of SHG movement had been planned with a view to promote sustainability combined with deepening of coverage of habitations and ward / slums in urban areas.

39. Dr.V.Darling Selvi (2005)\textsuperscript{39} has viewed the performance of SHG in Kanyakumari district. Development of SHG in Kanyakumari district shows a tremendous growth over the year in all respects as to number of groups, number of members, savings mobilized and in the disbursement of loan. Hence the overall development is good. The survey which has been conducted among hundreds of SHGs members in the district reveals the fact that the reasons behind the selection for SHG training are to get good training employment, convenience, education, self interest, eradicate poverty, to get additional income and proper utilization of time. Their satisfaction towards the scheme is excellent for 22% of the respondents, very good for 21%, good for 51% and moderate for 6%. It is concluded that the factors occupation, experience, education, income are influencing the satisfaction of the members whereas the factors like type of training, training period, family size, age are not influencing.

\textsuperscript{39} Dr.V.Darling selvi – Lecturer, Women’s Christian College, Nagercoil, “Impact of SHGs Training”. Mar 2005.
40. The project officer of DRDA P. Jeyabalakrishnan (2005) has stated that thinking women SHGs are only making eatables, garments and decorative articles, but now their enterprising skills have diversified them into newer ventures like manufacture stabilizers and generations of manure from waste. Going a step further they can also become entrepreneurs and run computer centers in smaller owns, achieving the objective of emancipation of rural and semi literate women through economic self-reliance.

41. Ms. M. V. Subha (2005) in her study on “Micro financing in India” - A critical factor has pointed out that NGOs are playing an important role. It estimated that 800-1000 NGOs are involved in mobilizing savings and providing micro-loan services to the poor. The NGOs micro finance sector has started providing significant 'user friendly' services to the poor. NGOs link the self-help groups with the commercial banks for offering better financial help. The delivery of micro financial services to low income families through SHGs is one type. The SHGs model has 15-25 members operating together revolving the members own savings. The SHGs and grameen models focus on women has brought about a change in the way rural folk treat them. Large portion of their corpus is built by saving mobilized from cooperatives. The different schemes offered by the SHGs and grameen models have proven to be successful in different states. The challenge ahead is to ensure access to financial services for the poor majority.

42. P. M. Mathew (2005) A study on micro finance said that micro finance deals with two broad models i.e., SHG Model and grameen, have seen some healthy competition that has led to innovations. As such micro finance services have got diversified over

---

time into areas such as micro saving, micro insurance and several non-financial services. These obviously have helped to improve the quality of life of the participants of this movement and offered new linkages among the various stakeholders. He also pointed that the role of the government and of the private sector so far has not been significant. While the NGOs started organization, offer financial services, this is not enough from the point of view of sustainable enterprise development. For this it is necessary to look at micro finance institutions from alternative rating criteria such as professional skills, awareness and networking capabilities.

43. The study of micro finance by Graham A.N.Wright (2005)\textsuperscript{43} has concluded that in 2004 about 16.7 million poor households were accessing credit through 35000 branches of 560 commercial and cooperative banks under the SHG-bank linkage programme. This activity is the result of NABARD work in the micro finance sector, which started in 1992 through a pilot project for promoting 500 self help groups. The government of India made linkage SHGs with banks a national priority from 1999 onwards through its periodic policy and budget announcements. NABARD continues to nurture the expansion of the out reach of the programme by providing support to the stakeholders. Today the programme is growing at a pace of about 2.5 million households annually.

44. The study by Dr.S.Kamaraju (2005)\textsuperscript{44} on “Self-Help Group emerging - Rural Enterprise” has stated that specialties who are giving more importance for the eradication of poverty in rural areas stress the need for organization of rural poor into separate self help group run by the members themselves. The concept of SHG has gained momentum now-a-days and its roots have penetrated in almost all villages in

\textsuperscript{44} Dr.S.Kamaraju – Lecturer, A.V.V.M.Sri Puchpam college, “Self Help Groups – emerging Rural Enterprise”, Kisan World, Aug 2005
TamilNadu. The study was conducted to know the activities of SHG in valangaiman in Thanjavur district. It is an agro – based area. At present agriculture operation has not picked up due to poor monsoon and non-availability of enough water in cauvery. This forced the people in villages to seek other kinds of occupation to earn their livelihood. Rural women are not exception to this. They are engaged in small scale industries and industrial activities out of necessity. Finance is the major problem for the rural women for undertaking these activities. Self Help Group formation helped them to certain extent to undertake business and industrial activities.

45. A study on feminization of micro – credit by Vasanth Kannabiran (2005)\textsuperscript{45} pointed out that the feminization of poverty; a serious concern so far is now giving way to the feminization of micro credit. Women are preferred clients because they can be persuaded to operate on generated notions of scheme of decency and discipline. The SHG functions as a policy delivery agent. The whole effort of gendering development has been flawed by the tendency to pick up a part and then treat it as whole. A situation where they are separated from their land, their roots, and their livelihoods and hence formed into homogenous SHGs and provided credit and savings will enable to lift their households out of poverty.

46. Nirantar (2005)\textsuperscript{46} pointed out that one alarming outcome of the emergence of SHGs has been the manner it has altered the nature of discourse on development and social justice by placing the notions of overcoming poverty. Expecting the poor to overcome themselves out of poverty through entrepreneurship it only leaves the systematic inequalities and factors that create poverty unchallenged and secure. What

\begin{itemize}
\item \textsuperscript{45} Vasanth Kannbiran – “A study on feminization of Micro-Credit”, \textit{Economic & political Weekly}, Aug 20, 2005, Vol XL No: 34.
\item \textsuperscript{46} Nirantar – “Women Empowerment and Poverty Reduction”, \textit{Economic & Politic Weekly}, Aug 20, 2005, Vol XL No: 34.
\end{itemize}
SHGs provide women today is mere membership while obstructing and obscuring their movement to citizenship and political power.

47. A study on “Women as Entrepreneurs” by Bindu Shridhar (2005)\textsuperscript{47} has pointed out that it is estimated that women entrepreneurs presently comprise about 10% of the total number of entrepreneurs in India, with the percentage growing every year. If the percentage prevailing trends continue, it is likely that in another five years, women will comprise 20% of the entrepreneurial force. With corporate eager to associate and work with women-owned business, and a host of banks and non-governmental organizations are keen to help them get going, there has rarely been a better time for women with zeal and creativity to start their own business.

48. L.N.Reathy (2005)\textsuperscript{48} a study on “Drive to Help Women SHGs become Plantation Owners in Nilgiris” has pointed out that twelve women SHGs in the Nilgiris are to become proud owners of 25 acres of tea plantations with in the next fortnight. With banks willing to extend financial support and the 50 percent subsidy coming in from the TamilNadu Adi-Dravidar housing and Development Corporation, the RDO trust is confident of reaching larger sections of the rural population. The process of transferring the title deeds in favour of the 12 women SHGs has just started. The land currently identified for transfer belongs to an estate/tea garden at kollakombu in Melur Panchyat. The RDO trust is also planning to help the SHGs set up women-owned tea factories eventually, when they have roped in about 500 acres.

49. Dr.G.Ganesan (2005)\textsuperscript{49} A study on “Rural Transformation through Self Help Groups” has concluded that the growth of Mahalir Thittam has been phenomenal due to the level of political blessings and bureaucratic support it has received in the last years.

\textsuperscript{49} Dr.G.Ganesn – Lecturer,Periyar Arts college “Rural Transformation Through SHG, Kisan World. Jan 2005.
two years. However to sustain the movement spread up its success, the Mahalir Thittam should engage marketing consultants and professionally experienced in rural marketing. It is found that the formation of SHGs have improved the standard of living of the poor people. NGOs were very much useful to the members in the sample blocks to increase their productivity. The objective of launching the programme was to build the capacity of the rural youth on par with the workers in the organized sector it will be on promoting Job-led economic growth in villages.

50. Asokan (2005)\textsuperscript{50} in his study concluded that micro-enterprises, to the deserving poor are one of the weapons for eradicating poverty in our country. The lessons learned from successful micro-enterprises suggested that the key was to being together the element of sustainable development with micro-enterprises.

51. Selvanathan and Aravazhi (2005)\textsuperscript{51} in their study on “Self Help Groups - A New Beginning in Women Entrepreneurial Development” concluded that in Tamilnadu the SHG movement covers 1.79 lakhs self help groups with 29.84 lakhs women members, savings of Rs531.96 crores and credit availment of Rs.857.76 crores. It was true that the poor status of Indian women in villages could be transformed with the help of SHGs. The success rate was high at many places in India. SHGs were the real path finders in the life of rural Indian women.

52. Swaminathan and Buvaneswaran (2005)\textsuperscript{52} in their study on “Participatory Growth of SHG - a tool for rural economy” indicated that the southern region continues to dominate the linkage programme with a share of 72% as on 2003. As far as the cumulative position was concerned, Karnataka ranks first (3950) followed by Andhra


Pradesh (2145), Kerela (1826), Uttar Pradesh (1348), Tamil Nadu (1307) and Orissa (1043) as on 2002-03. Out of bank loan of 117.83 million disbursed to SHGs a lion’s share went to southern region 72.40% constituting 85.30 million rupees followed by western region 8.85% with 10.42 million.

53. Thorat (2005) in his study on “Rural Credit in India” revealed that challenges before the SHG- Bank Linkage Programme, about 60% of the total SHG credit linkages in the country are concentrated in the southern states. However, in states which have a large share of the poor, the coverage was comparatively low, the skewed distribution is attributed to the over zealous support extended by some of the state Government to the programme, skewed distribution of NGOs and local cultures and practices. The second challenges was that formed SHGs having linked them to banks, how they can be induced graduate into matured level of enterprises, how they can be induced to factor in livelihood diversification, how they can increase their access to the supply chain, linkages to the capital market and to appropriate/production and processing technologies. The third challenge was how to ensure the quality of SHGs in an environment of exponential growth. Due to the fast growth of the SHG Bank linkage program, the quality of SHGs has come under stress.

54. Rajaram Dasgupta (2005) in his study revealed that Andhra Pradesh, Karnataka, Kerela, Tamil Nadu may be categorized as SHG developed states with high SHG credit for poor.

• High penetration among poor through SHG


• Wide spread coverage of poor; and Bihar and Madhya Pradesh may be classified as SHG backward state with
• Low SHG credit for poor Low penetration among poor through SHG and
• Low spread coverage of poor.

55. Ramakrishna (2005) in his study indicated that the sustainability SHGs was possible through application of modern Information and communication Technology (ITC) which would facilitate articulation of women at the grass roots of their experiences, concerns and perceptions. It provides necessary information and insight to transform them into achieve, conscious and confident participants in the sustainability of SHGs. Several methodologies like one-way video, two-way video, teleconferencing network, video conferencing with cameras at two or three locations multimedia, using-text, sound, images, animations and video utilized from the village level to the district level will be effective in the management of SHGs. The study also suggested that the implementation of ICT devices at group level, bank level, NGO level, would contribute to a healthy growth of women in rural and urban areas.

56. Manoharan Nair and Girija (2005) in their study concluded that weekly meetings, discussions, thrift and credit operations, participation in planning and implementation process of development activities, social and cultural activities were conducted under SHGs, NGOs and Community Based Organizations enhance the confidence and capacity of the poor women. Moreover, thrift and credit operations under micro enterprises enhance the economic status of the poor women in family and society which helps to eradicate poverty at the root itself.

57. Gupta M.L. (2006)\textsuperscript{57} in his study "Economic Empowerment of Women through SHGs" based on an in depth survey of three SHGs in the state of Punjab, showed that the successful working of these three SHGs has given enormous benefits. Organized working of the women through these SHGs has increased the income of the families involved. Success of these SHGs not only improved the economic status of the women concerned but also there was a drastic change in their social status.

58. Bhagwati Prasad (2006)\textsuperscript{58} in his study concluded that the micro-finance had been found as the appropriate approach and effective tool for poverty alleviation and empowerment, which could be internalized into cooperative system through strategic and legal support, keeping in view the long term sustainability of microfinance within cooperative functioning.

59. Joseph et al (2006)\textsuperscript{59} in their study on "SHGs and Tribal Development in Mizoram" suggested that lack of Co-ordination between government agencies, Banks and SHGs was reported as major problem. Efforts should be made to avoid delay in sanctioning revolving fund loan. The state government needs to encourage NGOs by way of aid to welfare and development activities for them. The problem of marketing the products was also emerging as critical among the SHGs. Effort should be made to provide fair price to the products of SHGs.

60. Loganathan and Asokan (2006)\textsuperscript{60} in their study suggested that SHGs had provided access to credit for their members; helped to promote savings and yielded moderate economic benefits; reduced the dependence on moneylenders; and resulted in


\textsuperscript{58} Bhagwati Prasad (2006) "Cooperative sector- change Required to operationally internalized concept of Micro-Finance", the Cooperator, februaury, vol.43 (8); 355-359.


empowerment benefits to women. On the other hand field reports also suggest that contrary to the vision for SHGs development, SHGs are generally not composed of mainly the poorest families; there was greater evidence of social empowerment rather than significant and consistent economic impact; and financial skills of group members have not developed as planned.

61. Malik and Srilatha Vani (2006)\(^61\) suggested that there was a need to make a provision for women to establish micro enterprises. The need of the hour was to help women to overcome the hurdles to set up micro-enterprises and help them to achieve self-reliance and become contributors for prosperity of the nation.

62. Nadarajan and Ponmurugan (2006)\(^62\) in their study on “Self Help Groups Bank Linkage Programme” indicates that member of SHGs formed in India and Tamilnadu for providing micro-credit was increasing during the period from 1992 to 2002, the compound growth rate was being 119% and 124% respectively. The result of the study also showed that the number of SHGs in Kanyakumari district has reported a growth rate of 181%, while comparing the growth rate of number of SHGs in Tamilnadu and India, Kanyakumari District has recorded a substantially higher growth rate.

63. Subbiah and Navaneetha Krishnan (2006)\(^63\) in their study concluded that the SHGs played an important role in the upliftment of the rural poor by providing loans at reasonable interest rate. It helps the rural poor to improve employment and economic supports. The members could avail loans themselves without collateral security. SHGs in most of the villages have been successful in breaking the stronghold of

---


money lenders. SHGs bank linkage programme has been advantageous not only to members of SHG but also to the banks. The advantages to banks were the lower transaction costs by providing loan to the groups for internal lending. There was no recovery problem for bank loans given to SHGs.

64. Vimala (2006) revealed that co-operatives in the state have whole heartedly responded to the linkage programme brought out by NABARD. They played a key role in the promotion of SHGs by providing the poor with easy access of credit to take various income generating and livelihood support activities. Hence, co-operatives could really be viewed as a tool of social change and reform in the economy.

65. Abdul Raheem and Yasmeen Sultana (2007) suggested that there were a number of possible routes to the promotion of Self-employment. Strengthening of Self Help Groups is one of the promotional methods, so more and more Self Help Groups should be encouraged in order to eradicate poverty through Self-employment and at the same time empower women which in turn lead to overall economic development.

66. Dr. A. Ramachandran and kavitha (2007) in their study “Women SHGs in India” "The self-help group model has been identified as a potential pathway to alleviating poverty. The number of poor women who are enrolling in SHGs all over rural India has been increasing remarkably. They are not only active in thrift and credit management but are also taking up other activities, such as natural resource management and development work, literacy, knowledge management, nutritional security etc. SHGs lay the foundation for self-reliance through building up of

---

66 Dr. A. Ramachandran Reader in Commerce SNR Sons college coimbatore and Kavitha lecturer – MBA Department SSM college of Engineering Komarapalayam, Namakkal – “Women SHGs in India"
institutions, which have the capacity to generate employment opportunities for the rural poor, and the poorest, and lead to job-led economic growth."

67. Rekha R. Gaonkar67 “Role of Self-Help Groups in Empowerment of Women” has emphasizes that the SHGs are the effective instruments of women empowerment. The SHGs have also created better understanding between the members of the different religious groups as the members of SHGs belong to different religions. This is a welcome change to have understanding and tolerance towards the members of other religions particularly in a country like India where there is a diversity of religions and castes.

68. Mr. Muthappan (2008)68 indicates that Indian Bank, in Krishnagiri and Dharmapuri districts, distributed Rs. 561 crore to 31,238 Self-Help Groups for the last 20 years; the Bank had extended Rs. 147.43 crore as loan to the SHGs last financial year. During this financial year, the Bank had so far extended Rs. 43.38 crore as loan to 1601 SHGs. the Bank had also disbursed Rs. 12 core to 1, 346 families as housing loan under the Girahalakshmi Scheme. Apart from funding to the SHGs, the bank had financed Rs. 3.25 crore to over 2, 168 schoolchildren of the SHG members towards their education. The bank last year disbursed Rs. 15.09 crore as educational loan to 1, 466 students. This year up to October the bank had disbursed Rs. 8.52 crore to the students as educational loan.

The studies reviewed above made the importance and comprehensive action research on SHGs. More Micro-credit facilities are available to SHGs which made them to Micro-Enterprises, due to which their Socio-Economic Status increases. So it is the need to study the Role of SHGs in the development of Socio-Economic Status of Women.

67Rekha R. Gaonkar -“Role of Self-Help Groups in Empowerment of Women”

68 G. Muthappan, Assistant General Manager and Head of the Dharmapuri Circle. - Indian Bank, THE HINDU, March 11, 2008