CHAPTER- 2
REVIEW OF LITERATURE

Women Empowerment has become an important issue since last two decades. Several studies have been conducted at international, national and state level to analyse the role played by SHGs in the Empowerment of the women. Some of important studies have been reviewed for the purpose of this study.

K.V.Lyer’s(1967) The increasing role of Women in Economic and Social Development, deals with study in the increase of women’s participation in economic and social activities, the international position of women in regard to employment of women and the conference of international labour organization of women.

V.M.Dandekar’s(1982) article ‘Integration of women in economic development with some data regarding women’s participation in economic activity in India and against this background discusses the problem of increasing women’s participation in economic activity so that women can contribute to economic development and get fully integrated in economic development.
Mohinder Singh’s (1983) Women and Development Process in India, is concerned with the role of women in development and schemes for women’s development in seventh plan.

Sushma Pendharkar’s (1984) “Role of women in co-operatives movement” is on the women’s shift from household activities to developmental activities, women as human resource development and finally about the social change.

Kuhn .J. (1985) defined SHGs as grouping of people who desire to propose common goals through joint action and self help. Author also defined SHGs as organizations whose members have united on the basis of common interest to improve their economic and social conditions in order to be betterable to pursue their paramount long-term aims.

Rahman .R.I. (1986) observed that “active” women loanees had higher consumption standards and a role in household decision-making, either on their own or jointly with their husbands, than passive female loanees. Both in term had significantly higher consumption standards and was more likely to partake in household decision-making than women from male loanee households or from households who had not received credit.

Chawla and Patel(1987) conceptualized self help organization as an entity which is set up and run by local people who are also the programme, it has a loose organizational structure but strong commitment and sense of purpose.

Mohinder Singh’s (1988) Studies ‘Women and development process in India’ is concerned with in development and schemes for women’s development in seventh plan.

Thangamuthu and Manimekalai(1989) revealed in their study on “Generation of empolyment for women through DWCRA that an additional income of Rs.285, Rs.460 and Rs.347 had accrued to the participants in the three activities namely ladary work, masala powder making and wax candle arts trades respectively.

The theme of Varalakshmi and K.Kamala’s(1990) article ‘Role of Women in Indian Economic Development’ is about the present speed up process of women’s
economic betterment and how the role of women in economic activity of the nation was particularly ignored.

Reddy. M.V. (1990) conducted a study in Kurnool Samiti of Andhra Pradesh, majority of the beneficiaries expressed that it has become a source of additional non-farm employment and of generation of additional income for the youth selected and trained under this programme.

Keval Gulati (1990) in her article ‘investment in women’ talks about the need for better services to improve the quality of life of women. And also says about the unpaid household work of women and finally about the key role that women play in the developing countries.

Harish’s work (1991) ‘Economic Development and Role of Indian Women; focuses its attention on the analysis of patterns of women participation in economic activity in relation to their occupational structures and educational attainment. Women participation in economic activity depends on social attitudes’ institutional structures economic needs and cultural factors.

The essence of T.Nirmala Devi’s (1991) article economic participation of women in South Asia: deals with adult participation rates of male and female in selected Asian countries. It also deals with issues related to female labour participation.

The central theme of Nandini Joshi’s (1992) article ‘Women can change the Future’ examines the role of Asian Women-particularly the Asian village women who holds a key to revitalizing the economic system.

Sudhir Verma’s (1992) article ‘Women in Development: Need for strong National /State machinery in India for women’s development.

Nalini Paranjpe’s (1992) article ‘Women and Public Policies in India’ deals with the Government policies for women in India.

Mary.E.Norris’s (1992) article the ‘Impact of development on women: A specific Factor Analysis’ is the specific factors model employed in this as a means of explaining how economic development may serve to distinguish women’s welfare.
The essence of Marina Pinto’s (1992) article ‘Women Empowerment Development Through Empowerment of Women in India’ is about the co-relation between human development and people’s participation, the author says that development has not only bypassed women but also made them victims of it.

Premkumar and Rahul Kumar (1992) found in their study on DWCRA that on an average an additional monthly income of Rs.280, Rs.395 and Rs.280 had accrued to the participants of tailoring’ dairy and mat weaving trades respectively. They also found that low income and low level of employment were observed in tailoring and mat weaving trades. But more numbers of days of employment and more income is observed in dairy trade.

Asha Das (1994) in his article ‘Child Development and Empowering Women in India’ is about women empowerment. Besides discussing constitutional, legal provisions, efforts made under plan projects and their impact on Central Government, it also discusses empowering strategies, schemes and services pursued over the years along with some how being placed on separate Mahila component under all Central schemes and programmes.

Rao (1994) defined SHGs as a means of raising the claim making capacity of the rural poor for reaching out to such agencies as they are willing to work with and which can provide them with additional production resources. It also implies the development of their bargaining power to an extent that such agencies cannot culturally impose their conditions and regulations upon the rural poor as passive recipients.

Nanda, Y.C. (1994), Chief General Manager, NABARD at a seminar on ‘Linkage of SHGs with financial institutions held on 17-18 September, 1994 at Dhaka in Bangladesh’ stated that the SHGs are the thrift and credit groups were mostly informal groups whose members pooled savings and ree lend within the group on rotational or need basis. These groups had a common perception of need and impulse towards collective action. Many of these groups got formed around specific promotional activity, promoted savings among members and used the pooled resources to meet the emergent needs of the members including the consumption needs. The internal savings generated were supplemented by external resources loaned or donated by the voluntary agency who promoted the SHGs.
Singh(1995) conceptualized an SHG as an informal association of individuals which comes together voluntarily for promotion of economic and social objectives.

NABARD(1995) defined SHG as a voluntary organization of homogeneous groups of rural poor formed to save whatever they can conveniently save out of their earnings and mutually agree to contribute to a common fund from which to lend to members for productive and emergent credit needs.

Jaya Kothari Pillai (1995) in her book “Women and Empowerment” is that women have to empower themselves. They have to understand the causes of the existing inequality of women in all sectors economic, social, political, legal and educational and take the initiative to change their rights and socio-economic educational development highlighting the profiles of some rural women and discusses especially the importance of new roles for education. In the second section the author examines how empowered the highly educated carrier women are. The advice given by some professionals are summed up in the last part of the book.

A study by Pitt. M. and Khandker. S. (1995) in exploring the impact of female membership of credit programs found that women’s preferences carried greater weight (compared to households where either men received the loans or in households where no loans had been received) determining decision-making outcomes including the value of women’s no land assets, the total hours worked per month for cash income by men and women within the household, fertility levels, the education of children as well as total consumption expenditure.

K.N.Ramanujam(1996) in his article ‘Women Co-operatives and Economic Development. says that women from illiterate and lower level society can also take part in co-operatives. It also deals with the classification of women co-operatives.

The theme of Mansingh Mathur’s(1996) article ‘Women in Co-operative(Mahila) Banks’ is about the relevance of co-operatives in the indian context, movements for empowerment of women, Government’s initiatives and the reasons for advocating involvement of women in co-operatives Mahila banks.

Micro-Credit summit, Washington (1997). In a committee report states that, increasing women’s access to the microfinance is assumed to initiate a series of virtues spirals of economic empowerment, increasing well being of women and their families and wider socio-political empowerment. Women are perceived as more conscientious and docile clients. Unlike men, they are prepared to devote considerable time and energy to group activity, which decreases programme cost. Women are therefore, a convenient, cost effective and comparatively risk free means of channelizing loans than men within households.

NABARD,(1997) Weaving bedmats using pandanus leaves, manufacturing agarbathis under the trade name “Poicka agarabatti”, manufacture of school bags using second hand machines, land development under watershed programme, making umbrellas, compost making, mushroom production and milk testing were some of the activities taken up by SHG members as commercial ventures. They even provided Shramdan to clear flooded village pathways.

Hemalatha Prasad .C. and Omprakash(1997) reported that the type of income generating activities taken up by the women were chicken rearing and egg selling, vegetable growing and selling, mahua collection and selling in the off season, fish selling, bread and egg selling, tailoring, bamboo basket making, kirani shop, manihari(ladies make up items like bangles comb mirror etc.) petty business, goat rearing etc.

Mridula Badauria(1997) in her book “women in India:Some Issues” made a sincere attempt to study the status of women, their health, education and employment avenues as well as their participation in decision-making process. The theme of Shanta Kohli Chandra’s (1997) article ‘Women and Empowerment’ concerned with the concept of women empowerment, the strategy of empowerment and curtailing gender discrimination through women’s participation in decision-making development process and governance, and reinforcing it through establishing linkages between women in public life and women working else where.
Sudershan Mehta and Nishi Sethi’s (1997) article ‘Targeting Women for Development’ is about the development of women.

Kumaran K.P. (1997) in the study conducted at rural areas of Tirupati blocks of Andhra Pradesh reported that, the mean age among the SHG members varied from 22 to 41 years. Found that more than one third (36%) of the members were agricultural labourers followed by those who professed household chore (27%), dairy (21%), handicrafts (7%), petty shops (4%), house servants and dhobis 2 percent each and tailor (1%).

Singh. S. (1997) in her study conducted at Hissar district of Haryana on DWCRA beneficiaries revealed that majority of the respondent belonged to the age group of 35-50 years (47.00%), illiterate (54.00%) with low family educational status (57.00%) with low caste status (48.00%), nuclear families (55.00%) with large family size (53.00%). Further she reported that as high as 72 percent of respondent were landless, having agriculture as their main occupation and were having less than Rs.1500 per month (62.00%). A vast majority of the respondents (92.00%) had no participation in social organizations and had low level of mass media exposure. The impact of SHG on social empowerment was not found significant.

Hemalatha Prasad.C. & Omprakash (1997) reported that majority of the group members belonging to scheduled castes and they were in the age group of 20-30 years, few of them being 35-40 years, most of them married have a nuclear family, majority studied upto primary school level.

Karmakar.K.G. (1998) defined SHG as an informal group of people where members pool their savings and re-lend within the group on an informal basis.

Snehalatha M. and Reddy M.N. (1998) revealed that the income generating activities taken up by the women were dairying, forest nursery, sericulture, vegetable cultivation and petty business which were carried out as a group activity.

Uma Shanker Jha’s (1998) book “Status of Indian Women; Crisis and Conflict in Gender Issues”, a triple volume set is a comprehensive analysis of crisis and conflict in the twentieth century women in india for equal status in socio-economic crisis. The
second volume, gives critical account of women participation in politics and politicalisation of women’s issues. Social theories of womanhood in India have been critically examined in the third volume.

Kabeer (1998) distinguishes between women as marginal, joint or primary decision makers, using a matrix, which considers women’s role in decision-making regarding the use of the loan, participation in running the use of profits. She writes that it is important to acknowledge this complexity in household gender relations, and to reflect on the mix of structural, individual and programme factors which influence the degree of control women are able to take over their loan.

Fernandez Aloysius and Prakash (1998) in her their book “The MYRADA Experience – Alternative Management Systems (AMS) for savings and credit of the rural poor” has analysed the need for an alterative credit systems, structural and operational hurdles, emergence of peoples institutions. The reason for focus on groups is to explain the different phase of group strategy –identification and formation of Self Help Groups, group stabilisation and withdrawal phase. Functions of apex bodies of Self Help Groups have also been explained and guidelines for monitoring systems of Self Help Groups is also enlisted.

Khan, M.R.(1997) in his study notes that married women members spend their income on households goods, food, children’s education and clothing. Women borrowers spend loans in a bid to increase their household income and to accumulate household assets including the building houses, freeing land from mortgage, acquiring land through the mortgage and purchasing of rickshaws. Potentially, women are more likely to make use of their income on the households consumption and security related assets, while men borrowers spend it on productive activities.

Karmakar, K.G.(1999) in his work entitled ‘Rural Credit and Self Help Groups’ reviews problems and prospects of rural credit in the context of its described role in rural development; traces the evolution and growth of the rural credit recycling and over dues; and discussed the recommendations of various committees. The author discussed the microfinance needs of various groups including tribals, the rural non farm sector, rural women and microfinance entrepreneurs. It also focuses on the concept and functions of
Self Help Groups with special reference to the BAAC system in Thailand and the Grameena Bank in Bangladesh. The author argues that these initiatives need to be replicated far and wide in order to ensure that the rural poor do not remain marginalized forever. The concluding section outlines strategies for developing a sustainable rural credit delivery system in developing countries.

**Rahman Amiunur (1999)** points out that the empowering influence of microfinance is not always associated with improvements in women’s lives, and credit as a debt for the household constitutes a risky strategy. Rahman points out a number of issues with relationships in a single village he studied which had Grameen Bank operations. For example: out of 120 women borrowers, 18% claim a decrease and 70% emphasize an increase in violence and aggressive behavior in the household because of their involvement with the Bank.

**Gibbons David.S. (1999)** also specifically addresses the work of Rahman: “There is of course a flip side to this miracle story. Aminur Rahman (1999) who suggests, from his village level observation in Bangladesh, that the Grameen Bank prefers women more for strategic reasons in relation to investment and recovery of loan than for the benefit of the women themselves has described it circumstantially because, they are more compliant and easier to discipline than the men. Moreover as the honor of their wives(and themselves) is at stake in repayment the husbands also pressurize their wives to repay as required. Thus poor women are pressured from both sides, and some describe this as intolerable.”

**Pushpalatha .M. and Revathi .E. (1999)** in the study to assess the impact of DWCRA stated that on an average an additional income of Rs.500 to Rs.600, Rs.150, Rs.100 to Rs.120 had accrued to the beneficiaries of basket making, pottery and leaf plate making trades, respectively.

**Shylendra. H.S. (1999)** observed that the wrong approach failures of SHG’s followed in the SHG formation by the team, mis-conception about SHGs goal both among the team and members of SHGs lead to the failure of SHGs in Bidaj, Gujarat.
As **Mayoux. L. (2000)** puts it, these virtuous spirals are potentially mutually reinforcing in that both improved well being and change in women’s position may further increase their ability to increase incomes and so on. This process of empowerment may be further reinforced by group formation focusing on savings and credit delivery as women can access wider information and support networks for economic activity; groups can support women in disputes within the household and community and group can link to wider movements for change in the women’s position.

**Osman(2000)** in his article remarked that micro-finance schemes alone can not alleviate poverty. The battle for total eradication of poverty requires combining micro-finance schemes with parallel, complementary programmes addressing the social and cultural dimensions of want, privation, impoverishment and dispossession.

**K. Rama kumari (2000)** in her book “Women Welfare Programmes in Andhra Pradesh: A Policy Analysis” explains about theoretical perspective of policy analysis and it gives a brief account of status of women in India in general and Andhra Pradesh in particular. The National Policy on Women welfare has been analyzed and various women welfare programmes are discussed and evaluated find out how far the objectives are realized. The author tried to identify hurdles in the implementation of programmes.

**Pratap.D. P. (2000)** on the behavior without economic incentives, members of credit management groups, majority of them (67.8%) suggested that sincere efforts by the NGO was necessary for maintenance of unity among members. More than half the respondent suggested more financial assistance from the NGO. The fifty percent of them suggested taking up community action programmes, while 19 percent demanded more benefits for members, 15.6 percent suggested timely loan repayment and lastly 5.2 percent asked for linkages with banks and government agencies.

**Manimekalai, N. and Rajeshwari, G.(2000)** examined the empowerment of women through SHGs in rural micro enterprises in Tiruchinapalli district of Tamil Nadu. They found majority of the women married and engaged in petty business, with the rest distributed across processing, production and service units. Most of them had primary education and majority of the women in petty business were illiterates. The dominant problem reported by them was shortage of capital and the sample groups received loans
only under SHG through its banks. Further, the services units performed better and helped to repay the loan on time, whereas the production units not only failed to generate its own capital but also affected loan repayment.

**Nedumaran, S., Palanisamy, K. and Swaminathan (2000)** have empirically examined the performance of Self Help Groups (SHGs) linked with bank and assessed the performance and socio-economic impact of SHG on the members. The study on SHGs was undertaken in two districts of Tamil Nadu, namely Erode and Tiruchinapalli covering 30 SHGs from two NGOs (viz., MYRADA and LEAD) and 150 members from the selected SHGs. Further, the study indicated that social conditions of the members considerably improved after joining the group activities. Promotion of SHGs in the rural areas, training to members and involvement of local NGOs in building the SHGs are recommended for the overall improvement of the households.

**Kashyap., A. (2001)** A SHG is a group of 10-20 women who come together voluntarily around a common objective. These groups are a part of the micro-level financing which primarily focuses on providing access to bank credit to the neglected, underprivileged and the deprived sections of the society.

**Swati (2001)** in the study at a tribal district of Madhya Pradesh, India found that, besides reducing the pressure on the forests (which was the main objective of initiating SHG by the Forest Department) SHG was able to start and run a nursery on their own. It provided them opportunities not only for experimental learning of many nursery management skills but also of leadership and of group functioning. About 75.6 percent availed loan for dairy activities while 4.0% and 3.6% respondents availed loan from the group for daughter’s marriage and poultry, respectively.

**Prita (2001)** reported, improved financial conditions of the members(100%), make good use of leisure time (33.33%), available benefit of development programme of the government (16.67%) and include the habit of saving (16.67%) belonged to the benefit for beneficiaries. Further almost 60 percent now had developed confidence to travel outside the village on their own 30.23 percent could get their house repaired.
Kapur Pramilla (2001) in her study tried to discuss, analyse and answer the challenging questions as to why, despite all the efforts and progress made, still there continues to be so much of gender discrimination and what strategies, actions and measures to be undertaken to achieve the expected goal of empowerment. She opined that women’s empowerment is much more likely to be achieved if women have total control over their own organizations, which they can sustain both financially and managerially without direct dependence on others.

N.Mohanam (2001) in his study found in Trissur district of Kerala that the average membership of SHGs was 18, who are drawn from labour, petty trades and marginal farmers. Purpose-wise, loan extended indicated that domestic consumption accounted for 58%. The characteristics of micro entrepreneurs in SHGs revealed that a very high proportion of them were unemployed prior to joining SHGs [90%]. In terms of enterprise orientation, tailoring was found to be the most preferred activity [47%]. They had an investment level less than Rs.5000, and able to earn Rs.1977 per month with a net profit of Rs.700 indicating a turnover profit ratio around 37%

N.V.Namboordiri and R.L.Shiyani (2001) found that the percentage of women groups promoted by the SHPI was 52% and 84% by NGOs. The percentage of SHGs linked by the SHPI was 65% and that of NGOs was 42%. The average amount advanced by SHGs varied from Rs.13,000 to Rs.30,000 for NGO promoted SHGs. The SHGs that are promoted by the NGOs had a better saving performance compared to that of SHPI in terms of amount saved per SHG as well as in terms of credit saving ratio. The credit saving ratio of former was 1.27 and it was 3.67 for the latter. However the repayment performance of the SHPI SHGs was superior to NGOs. Underlining the various strengths and weakness, opportunities and threats, it was suggested that with collective savings group consumption credit, integrating social and economic goals among the small groups these has the potential not only for financial deepening in the rural areas but also for the empowerment of women in particular.

Soundarjya Borbora and Ratul Mahanta (2001) analyzed the impact of micro financing through SHGs taking the case of Rashtriya Gramin Vikas Nidhi in Assam and found that 80% of the SHG members were from poor families, in the age group of 8 to 50 years. They involved both in saving and taking loan. The repayment performance was
about 91% and the programme has been successful in expanding outreach covering larger number of groups. Most of them did not have savings account in bank prior to SHG. Their saving now ranged from Rs.200 to Rs.1000. Above all the SHGs helped to set up micro enterprises for income generation.

**V.Puhazhendhi and K.I.S. Satyasai (2001)** have attempted to evaluate the performance of SHGs with special reference to social and economic empowerment taking 560 sample households, in 223 SHGs in 11 states. They have found that there was a change in the average value of assets comprising of livestock and consumer durables by 72% and the net income per household by 33% during the pre and post SHG periods. The social and economic empowerment index revealed that the impact was relatively more pronounced in social than economic aspects. It was underlined that the involvement of the rural poor in SHG had a significantly positive impact. Regionwise, southern region and model wise, NGO acting as non-financial intermediary, performed better than others. It was suggested to have an effective rating system of NGOs to be developed which would help in eliminating the ineffective NGOs in the system.

**N.Manimekalai and G.Rajeswari (2001)** studied the impact of SHG in creating women entrepreneurship in rural areas of Tamil Nadu by taking 150 SHG members. They found that the SHGs have helped to initiate micro enterprises including farm and non-farm activities, trading and service units. It was reported that there was significant difference in the mean performance of the entrepreneurs based on their age, education and previous experience. The micro finance has facilitated the women to have economic and social empowerment; it has developed a sense of leadership, organizational skill and management of various activities of a business, right from acquiring finance, identifying raw materials, marketing etc. by themselves.

**Lakshmanan .S. (2001)** in his study in rural Tamil Nadu observed that the savings of SHGs increased from Rs.20 in the beginning to Rs.50 in the latest period. The groups obtained revolving fund; there is transparency in administration. Members are engaged in production of mats with the sufficient encouragement and support of the husbands. The problem faced by them includes high cost raw materials. It was concluded that the SHG is really a boon, which gives financial autonomy and make the participants economically independent.
S.N.Tilekar, N.J.Narikade, B.J.Desmuka and A.A.Patil (2001) on a case study of SHG in Maharashtra found that there has been an increase in the savings and credit performance. The SHGs lend money, with simple procedure, at 5% rate of interest per month. The loans were extended to farm work, education, medical expenses, and social functions, livestock and for nonproductive purposes. It was underlined that SHGs have become a platform for exchange of experience and ideas beyond social participation by each other.

M.Anjugam and T.Alagumani (2001) in their study in Madurai district of Tamil Nadu assessed the economic, social and institutional impact of SHGs. It was underlined that the major purpose of loan extended was to pay off the loan from moneylenders. Other than this, loan was given for medical, house repair, educational and social obligations. The women could accumulate assets in terms of jewels, TV, Steel Bureau and able to install the facility of electricity, purchase livestock, land for construction, leasing in cultivable land etc. The repayment was 100% and the member’s awareness on girl’s education, outside contacts and decision-making skill etc were improved.

K.C.Sharma (2001) underlined that the outreach of formal sector is 30% to 40% for general population and it is 10% to 20% for the poor households. The SHGs have contributed to increase the outreach with gender orientation as 85% of the SHGs linked with banks formed by women. These groups enabled women to engage in economic activities and decision-making at the household and the society level. It makes the process of development participatory, democratic, independent of subsidy and sustainable. Significant changes realized in terms of increase in income, assets, savings, borrowing capacity and income generating activities must be sustained by safeguarding the healthy growth of SHG movement in India. It should not end like the programmes with subsidy orientation.

D.S. Navadkar, K.S. Birani and D.V. Kasar (2001) analysed the secondary data for 1992-93 to 1999-2000 and found that NABARD was able to extend assistance to 97.5% NGOs and the RMK for 39%. Maximum assistance for SHG refinance has been extended followed by revolving fund and corpus fun. It was suggested to strengthen the SHG bank linkage through micro credit to improve the standard of living of the poor.
S.K. Singh and Gyan Prakash Singh (2001) in their study on PACS found that in Uttar Pradesh the maximum assistance than others. It was further revealed that the credit outstanding was at 42% and this needs to he improved by proper education of the farmers.

P.K. Singh (2001) conducted a study in Uttar Pradesh. Comparing the pre and post SHG situations of women SHGs. He found that the average value of assets increased by 46% and the annual income per household by 28% between pre and post SHG periods. The borrowing for consumption purpose was also done during pre SHG but it was completely absent in the post SHG situation. Credit delivery was most convenient through SHGs compared to formal and informal institutions. They were dependent on labour income in pre-SHG and now on dairy. Maximum loan was taken for income generating purposes. SHGs replaced the moneylenders; credit delivery was made simple and quick with lower interest. Recovery rate ranged form 95% to 100%. The important benefit of SHGs is compulsory saving, after cutting the necessary expenditures. But the commercial banks are not prompt in linking SHGs with loan. It was suggested to improve the awareness and educate the members to keep proper records proper to grow in future.

M.S. Kallur (2001) analysed the impact of SHG supported by NGO namely MYRADA on women empowerment in Karnataka. It was found that the loans were taken for productive purposes, interest charged were high to cover the expenses of the group, the recovery rate was higher compared to formal credit and income generation was small. It was underlined that the group approach has brought to the surface many operative latent traditional values like group support. thrift, group action and sustainability of women SHGs.

A study on S.B. Hosamani, B.R. Balappa and S.N. Megeri (2001) arrived at the common findings on the SHG impact in Karnataka. But it was observed that the growth of SHGs with co-operative banks was the maximum unlike in other studies, followed by RRBs and Commercial banks. In case study, they found that their was an increase in the rate of return at 21% on an average and the women felt that the purchasing power increased with their petty business income besides their own empowerment.
V. M. Rao (2001) in a comparative study on SHGs in Karnataka and Andhra Pradesh underlined that SHGs are sustainable, have reliability, stimulate saving and in the process help the poor families have been brought with in the fold of formal banking sources, he held that SHGs concentration in southern region. In his study of STEP [Support to Training and Employment for Women] and non-STEP SHGs, it is observed that the members joined SHGs mainly to avail credit, to meet unexpected cash demand and to develop saving and thrift. The widowed and divorced had more willingness to join. It demands Regular meetings, compulsory attendance and savings. They are involved in creating social awareness on dowry, nutrition, AIDS, literacy, multiple roles of women etc. The savings ranged from Rs. 75 to Rs.100 per month. And interest charged ranged from 24% to 36%, payable in four or twelve installments. Credit for consumption purposes was the maximum in non-STEP and for social functions, and input purchase for STEP SHGs.

S. Nedumaran, K.Palanisami and L.P. Swaminathan (2001) in a study conducted in Tamil Nadu on the impact of SHGs found that more than 60% of the SHG members were SC/STs. Nearly half of them registered a high performance. The average loan availed is positively associated with age. Net income received increased by 33% over pre SHG situations. Social conditions also have improved and SHGs have contributed to the overall improvement.

T. Ponnarasi and M.P.Saravananan(2001) brought out case studies of five SHGs in Cuddalore district of Tamil Nadu. Of the five groups, one has got the “Best SHG Award” for it has lent more than that of other groups, extended 90% of the loan for productive purposes and also availed a large loan of Rs.One lakh which was absent with other groups. It was concluded that the SHGs have contributed greatly to the well being of the villagers.

Y.C. Sale, B.V. Pagire and Shinde (2001) in a study of SHG in Maharastra found that the SHG group loan was lent to income earning activities such as sheep and goat rearing, poultry, meeting medical and educational expenses. The revolving fund assistance improved their scale of operations and the repayment of 100%. SHGs have inculcated a habit of thrift and fulfilled the needs on priority basis. Expansion of such of such operations would improve a lot of rural poor households.
P.K. Awasthi, Deepak Rathi and Vimla Sahu (2001) in their study in Madhya Pradesh on the impact of SHGs on economic status of women observed that the SHG women were engaged in Mahua, mushroom cultivation, amachur, papad making, pisciculture, nursery etc. With the group loan at 2% to 4%. Interest per month, they realized an increase in income and employment. SHGs have made a positive impact on creating leadership, improving literacy, consciousness about health and hygiene and skill formation among the group members. However they suffered from lack of motivation, infrastructure, forward and backward linkages, insufficient loan, inadequate provision of marketing and inputs, lack of systematic monitoring and follow up etc.

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S.N. Mishra, and M.M. Hossain (2001) in their study to assess the impact of Mahila Mandals on rural SHGs in Orissa in terms of empowerment of rural women through participation and employment generation in the pre and post SHG periods, arrived at the conclusion that there is a considerable increase in revolving fund, loan extended, grant availed, savings done etc: The loans were given both for consumption and social obligations. There is a considerable improvement in the socio-economic status in terms of literacy, housing conditions, food security to manage the lean season, nutritious level of food etc in the post SHGs situation compared to pre-SHG period. The trained members intervened in improving the health status of the SHG women. The net income increased by more than 60% through scientific cotton cultivation, livestock, maintenance and small business like retail shop, dry fish trading etc. The group maintained successfully the fair price shop and additional employment generated worked out to be 185 person days per member and it was suggested that these Mahila Mandals could be a model for other SHGs.

V.K. Singh, R.K. Khatkar and S.K. Sharma (2001) in their study on the impact of SHGs in Hisar district of Haryana a collecting data from seven SHGs underlined that the micro financing through SHGs is a better system for inculcating the habit of self-help
among the rural poor. Loan is given for all purposes simply by producing a three rupee stamped affidavit with the surety of other members. The recovery was 100%. The loan is used for purchase of animals, stand small business, to solemnize the marriage of their dependents, to meet out the emergency needs. Educational expenses, social obligations etc. These groups have also freed the members from moneylenders and saved them from exploitation. The members did not mind paying higher interest as it goes to the group fund.

Y. Indira Kumari and B. Sarnbasiva Rao(2001) A study on the emergence of women SHGs and its impact on Andhra Pradesh found that the SHG women of this study found to be engaged in petty trades and business including tuff-making, candle making, purse making, leaf plates and basket making, internal lending, etc which belong to DWCRA groups. Only 34 groups were provided with assistance and the rest of the groups functioned with their own savings. It was suggested that the government must provide more assistance to SHGs so that income, savings, and their expenditure would increase. It was concluded that despite the bottlenecks the DWCRA groups could cross the poverty line.

Performance of PACS for all over India was analysed by Brahmin Prakash (2001) He underlined that of the total PACS, only 63% to 65% were found to be viable and about 26% to 30% potentially viable. There is a fall in the membership, about 10% to 50% members borrowed from PACS and a great majority of them were defaulters who are mostly cultivators, small and marginal farmers were defaulters. The delinquency rate and unit transaction costs were the highest in PACS among two-tier co-operative institutions.

In similar line Aiurag Saxena, Rekha Dayal and R.B. Singh(2001) analysed the performance of PACS in Uttar Pradesh and found that they did not achieve success in supplying credit to their members, and failed to create sufficient deposits, share capital and working capital but they offer good scope in the field of agricultural credit, and co-operative marketing and processing in the rural areas.

Malaisamy and R.Srinivasan (2001) impaired the micro finance performance of SHGs and PACBs in Madurai district of Tamil Nadu and found that majority of the PACBs were willful defaulters which was not observed with SHGs. A comparison of over dues of SHGs beneficiaries with those of co-operatives showed that the latter had a high level of over dues compared to the former. The debt-asset ratio, educational level of the
beneficiaries and membership of SHGs have explained the variation in over dues. The
transaction cost was found to be higher with SHGs due to higher interest rate as compared
to co-operatives.

Harper Malcolm (2002) in the study examines and compares the different ways in
which Self Help Promoting Institutions promote Self Help Groups in order to enhance the
efficiency and quality of the Self Help Group. The Self Help Groups promotion work of
Banks, Non Governmental Organisations, Vikas Volunteer Vahini (VVVs) Clubs, Government agencies and individual ‘volunteer’ promoters were compared in the study, covering three states namely Orissa, Uttar Pradesh and Karnataka. Three interview-schedules one for Self Help Groups and second one for members and the third one for banks, which have lent to the groups and ranking exercise on the strong and weak points of different self help promoting institutions have been used to collect the data. The findings of the study would be a great help to National Bank for Agriculture and Rural Development and to development partners to fine tune their strategy and approach for the next few years, making SHGs the potential instrument for alleviation of poverty.

K.S. Rasure (2002) in his study opined the empowerment should be externally included, so that women can exercise a level of autonomy. There should also be self empowerment so that women can look at their own lives. The findings reveals that the genesis of SHGs could be traced to mutual aid in a form of cooperation and also stated that the Self Help and reliance and strategies of survivals as well as development of the poor.

Rao(2002), in his study of socio-economic status of tribal women in Arunachal Pradesh analysis the fact that a vast majority of the women in the state are interested in organizing Self Help Groups, women have opted for schemes like fish ponds, vegetable cultivation, horticulture, garment shop, petty trade, weaving and breeding mittens to be taken up through SHGs.

Dwarakanath, H.D. (2002) has observed that women lead SHGs having confidence among them have mostly created the attitudinal change and transformed the social outlook of its members. SHGs in the study area emerged as a new paradigm for eradicating poverty. Credit needs of rural women are fulfilled totally through women groups. These groups enhances equality of status of women as participants, decision makers and beneficiaries in the democratic, economic, social and cultural spheres of life
and sensitized women members to take active part in socio-economic development of rural India.

**Abbas Manthiri (2003)** carried research on the topic, A study of Women Self Help Groups in Madurai district. The study covered the Non-Governmental Organisation and Self Help Groups and evaluation of Mahalir Thittam Scheme in Madurai district. The Non-Governmental Organisations should be prevented from interfering with the SHG movement, steps should be taken to keep them as voluntary organizations, they should not be allowed to use extraneous influences are some of the suggestions made.

**Borain’s, M.P.(2003)** paper deals with the impact of Self Help Groups, promoted by eight leading Non Governmental Organization in two southern states of India, namely Tamil Nadu and Andhra Pradesh. It is observed that women’s groups have succeeded in reversing the gender relations in their favour and proved that they can effectively replace the leadership in local institutions and provide better governance to the community. The women have become more independent in many sectors, and less dependent on their men and the family.

**Nasi, S.K. (2004)** has undertaken study in Belgaum district of Karnataka and found that after formation of group, the members were able to force Mandal Panchayat authorities concerned to start school in the villages of taluka. In some villages of Chikkodi and Raibag taluks of Belgaum district, SHGs have successfully implemented total prohibition of liquor, confidence in fighting various social evils in male dominated societies. As a result of the group activities the women were able to protect themselves from all types of exploitation.

**NABARD (2004)** report stated that, NGOs play a pivotal role in the formation and stabilization of Self Help Groups. They provide support services in terms of village survey, identification of members and motivation to form groups. They provide training, guidance on record maintenance, facilitating loan disbursement and providing market support.

**Padmavathi, D. (2004)** explained that women’s participation in outside home, economic activities are governed by ideas and values of the society where she lives and her behavior movements are controlled and restricted by religious community rules and regulations. The later are upheld and strengthened and repeated through economic, political, social, legal structures. Gender relations are institutionalized and systematized in a regular fashion so that violation is difficult. She has suggested an empowerment strategy which includes; women’s own experiences and realities, expand women’s
horizons through access to information knowledge and skills and strengthen women to struggle independently.

Shetty, E.D. (2004) in his study looks into the programmes under DWCRA and some entrepreneurial initiatives under taken by some NGOs like project Shakti of Hindustan Lever Limited, Padmavati, Rashtriya Seva Samithi, Swayam Krushi, etc. The main objective of the programme for the Development of Women and Children in Rural Areas (DWCRA) is to improve the lot of rural women through the creation of income generating activities in a district. In this project it is proved that women have tremendous energies to start their own enterprises given the right opportunities. They have developed abundant self confidence and self esteem through SHG movement. The author opined not only economic poverty but also social and gender issues can be tackled collectively through this process.

Tripathy, K.K.(2004) had opined that the ‘Self Help Groups” a catalyst to rural development, brings out that the SHGs formed and developed under various programmes and they provide a upgrade opportunity for the convergence of various programme/activities of various ministries and organizations. The group while aiming at promotion of savings and credit should work as pressure groups to address social issues such as education, health, lack of access to natural resources etc. Necessary training should be provided to the SHG members to create awareness on community health, traditional and modern agricultural practices, micro credit, veterinary practices, water resource management, panchayat raj and other relevant issues that may be applicable to the area concerned.

Gupta and Rajaram Das (2005) in their study found that the performance of both public and private sector banks in extending credit to weaker sections is high level of Non –performing Assets (NPAs). Comparing the SGSY Scheme with SHG bank linkage programme, the study points out that while credit under the SGSY schemes across states has been extended in proportion to the population, this is not so in the case of SHG credit that has been growing at the rate of 120% per annum. However, growth in SHG credit has been uneven.

Samirendra Nath Dhar (2005) in his book, “Micro finance for women” addressed remarkable breadth of important issues for the activities of institutions like the NABARD and SIDBI in linking groups and the features of SGSY launched by the Government. Women micro entrepreneurs in addition to facing serious bottlenecks like male domination and social taboos are suffer from dearth of capital to finance their economic
activities. Micro finance as a major development strategy provides a practical approach to attack the vices of poverty especially for women.

Satya Sundaram (2005) stated that micro-finance in India is making steady and satisfactory progress. NABARD has set a goal of covering 10 million poor, i.e. one third of the country’s poor population through one million SHG’s by 2003.

Sunil, R. (2005) conducted study on “Microfinance to the rural poor: A study of the SHG bank linkage programme in a backward district in India”. This study devoted to evaluate the SHG-Bank Linkage Programme and with the help of survey data of 358 SHG members household (each representing one SHG). The main objectives of the study are (1) outreach targeting (2) financial behavior of the SHGs and the households (3) gender aspects of credit and (4) behavior of credit functions. He suggested that for more concerted monitoring of the field level operation, particularly, using policy interventions addressed to the retail banks. There has been evidences of the groups transforming themselves into multi functional grass root level initiatives.

Arunjyothi, K. (2006) did research work on the role of SHG’s in Women Empowerment a study of Ranga Reddy District. In the study it is stated that the role of DWCRA in Women Empowerment and evaluation of Deepam Scheme in Ranga Reddy district. The study concluded that SHG’s have been playing an important role in strengthening socio-economic empowerment of women.

Jaganath Rao’s (2006) study demonstrats that SHGs are the best formal micro level financial institutions to generate additional employment and income for needy people by involving them in planning, decision making and management of sustainable natural resources beside considering few issues and dilemmas. The study data indicated that in five SHG, their savings were used to undertake soil conservation work, value addition of forest product to enhance further their income and to cultivate medical plants. Thus, the reliance of these people on forests, though not reduced to a great extent, has improved the forest conditions through various activities in addition to enhancing their income.

Ramana Reddy, K. V. and Nataraju (2006) has conducted the study document the experiences of SHGs promoted under SAPAP in kalva village in Karnool, a chronically drought prone district in A.P. The objectives are to analyse the socio-economic profile of the members and structural characteristics of SHGs promoted under the project and to study the credit management of SHGs for mobilization of savings and other funds lending operations, repayment etc. The members participate in decision making process of groups functioning and relevant records are maintained satisfactorily.
Sreeramulu, G. (2006) conducted a research on Empowerment of Women Through Self Help Group. This study is a modest attempt to evaluate the relative contributions of DWCRA and Self Help Groups for the development of women and children in rural areas. The objective of the study is to analyse the role of Self Help Groups (SHGs) for promoting socio-economic development of women and to examine the relationship between SHGs and economic empowerment (production, consumption and economic status). After formation of the groups that the percentage of women reporting empowerment and improvement in social, economical and political participation has increased.

Sharanappa, M. (2006) has made a study on, ‘The Economic Conditions of Self Help Groups in Karnataka- with special reference to Bidar district’. The researcher covered Self Help Group Bank Linkage Programme, functions and performance of Self Help Groups in Bidar district. Also covered growth pattern of Self Help Groups in Bidar, Role of Non-Governmental Organisations, Banks and Co-operative Banks on financing Self Help Groups. The study onserved the number of poor women and men who are enrolling in SHGs all over Bidar district has been increasing remarkably, which depicts the positive response. They are not only active in avoiding waste and effective credit management but are also taking up other activities, such as natural resource management and development work, improving literacy, Knowledge management etc. Self Help Groups contribute towards the foundation of self reliance through building up of well coordinated institutions, which have the capacity to generate employment opportunities for the rural poor and poorest and leads to overall economic growth. The study concluded that, many innovations relating to the concept of Self Help Groups are in the path of progressive economic development. Hence, it is evident that with the concept of micro financing the country would be flourished and a vision of a developed country could be achieved.

A draft of the Micro Finance Sector (Development and Regulation) Bill (2007) had at the time of writing been presented to the cabinet. While one of its main objectives is to allow MFIs to accept savings, the bill has two important components which should greatly strengthen the consumer protection regime. First it provides for the redressal of grievances through an ombudsman and through officers to be appointed “at places easily accessible” to clients, with powers to issue directions to MFIs. Second, it seeks to promote the orderly growth of the sector, by setting performance and accounting standards, creating a reporting system and data base, supporting research, promoting
consumer education, disseminating information relating to fair practices, and laying down a code of conduct.

**Anitha.H.S. and Revenkar A.D (2007)** made an attempt to study rural development through micro credit, the growth of SHGs from 1992-93 to 2003-04, and agency-wise SHG linked on March 31, 2004. They concluded that the success of SHGs not only improved the economic status of women, but also brought a lot of changes in their social status.

**Nayak (2007)** made an attempt to analyze the empowerment of the poor through SHG and micro finance in the Kalahandi district of Orissa. Questionnaires were prepared and presented to 997 members of sample 80 SHGs. The study found that 89194 families of Kalahandi district benefited from SHGs and bank linkage programme and suggested strengthening of cooperative sector.

**Tushir Monika (2007)** made an attempt to highlight the role of micro finance in uplifting the economic conditions of women in Haryana district through SHGs upto March 2006. They concluded that micro credit is a powerful instrument and has improved access to rural poor, especially women.

**Vinayamoorthy .A. and Pithoda Vijay (2007)** made an attempt to examine women empowerment through SHGs in three villages of Tamil Nadu. They selected sample of 398 members of 20 SHGs from Vellore, Thiruvannamalla and Dharmapur districts of the state. The main objectives of the study were to examine the income expenditure and the savings of the members after joining SHGs and the role of SHGs in providing credit. They concluded that the economic activities of SHGs were quite successful.

**Christabell, P. J. (2007)** made a study on Women Empowerment Through Capacity Building: The Role of Microfinance. The study covered the role of microfinance institutions and programmes existing in a various parts of the India. The efforts of the Government of India in forming of microfinance in the country and also made an attempt to describe the state of microfinance organizations and programmes in Kerala. How the microfinance organizations have helped women in their attempt in capacity building. He concluded that, in order to obviate the difficulties experienced by the extremely poor among the members of micro finance organizations it is necessary to make the terms and conditions of savings and borrowings for the poor. Penalties and sanctions need to make less stringent too. Setting up a welfare fund at the SHG level is necessary so that it can be used at times of emergency. The membership of a SHG may be kept in the range of 20 to 25. Large groups face problems of cohesion and management.
Kalpesh kumar and Shiyani, R.L. (2007) have made attempts to examine the progress and performance of Self Help Groups (SHGs) in Junagadh district of Gujarat. They suggest that the developmental agencies should identify and more number of women SHGs as they help in economic upliftment of the family as a whole. There is a need to educate the rural flock about the development programmes aimed at the rural masses. Active monitoring by NABARD, NGOs etc. would help to reduce the proportion of defunct SHGs to a great extent.

Meeralal (2007) in the book “SHG bank linkage in India empowerment and sustainability” addressed the efficiency, effectiveness and sustainability of the strategies, which aim at poverty reduction and women empowerment. The SHG bank linkage model in the states of Andhra Pradesh and Karnataka- (States with largest number of SHGs), will reveal not only the success stories but act as models for others. The evaluation of the study showed the under unique model, emphasizing the critical role of commercial banks with public and private sector, as well as those of NBFCs and NGOs, who have also been instrumental in the propagation of SHG movement in India. The basic emphasis is on corrective measures to make this model sustainable.

Shukla, O.P. (2007) examined the formation of group which are involved in agriculture and allied activities such as horticulture, animal husbandry, dairy and fisheries are critical indetermining the growth of the programme of SHGs if efforts are made to keep their functioning successful. Even other sources of institutional credit required to be revamped so as to fulfill the economic and social commitments toward the lowest strate of the population.

Ganapathi .R. and Sannasi (2008) made an attempt to highlight the factors influencing the women entrepreneurs. The study highlighted the common features of women entrepreneurs, challenges faced by them while undertaking the entrepreneurship, activities and the necessary strategies to overcome the challenges. The study concluded that women should be motivated to establish business in the interest of the family income in particular and national income in general.

Gudaganavar Nagaraj and Gudaganavar Rajashri S. (2008) made an attempt to examine the empowerment of rural women through SHG. They highlighted the progress of SHG in India from 1992-93 to 2006-07. They also highlighted the region-wise progress of SHGs and employment of women through SHGs. They concluded that no development was possible without empowerment of women.
Shiralashetti and Hugar (2008) made an attempt to examine the progress of SHG and their linkage to bank. The study was based on the secondary data collected from annual reports of the NABARD. The main objectives of the study were examine the progress of SHGs and bank linkage in India and in Karnataka state and to study the district-wise bank linkage of SHGs in Karnataka State. They concluded that SHG movement is a powerful tool for alleviating poverty.

Shobha.K. (2008) made an attempt to evaluate the problems of self-employed women. The study took 400 self-employed women as sample from Coimbatore Municipal Corporation Limit and used scaling technique. The study concluded that the problems faced by the beneficiaries of Prime Minister’s Rozgar Yojana are less severe than non-beneficiaries.

Vasanthakumari.P. (2008) made an attempt to examine the role of micro enterprise in empowering women in Kerala. The author took a sample of 328 micro entrepreneurs. The study revealed that these enterprises helped in empowering rural women economically, socially and individually. The study suggested giving priority to commercial viability of enterprises.

Kumararaja .K. (2009) made an attempt to evaluate the performance of SHGs in Tamil Nadu. The study highlighted the progress of SHGs in India and Tamil Nadu. It revealed that there has been a steady progress in the number of SHGs and amount of loan sanctioned. The study concluded that a timely and regular check of the micro credit through SHGs will contribute to a healthy progress and to the overall development of rural women.

Saraswathy .A. Porkodi .S, (2009) made an attempt to analyze the role of micro finance in Krishnagiri district. They highlighted the role of Government of India, NABARD, NGO and Banks. A questionnaire was prepared and presented to 75 members of 1 SHGs of 9 NGOs. The studies revealed that majority of members have agreed that their income has increased after joining SHG. It concluded that SHGs have become the development ambassador of villages.

From the review of literature it is evident that SHGs plays keyrole in the Empowerment of Women. Most of the studies mentioned above focuses on the Empowerment of Women in General. This, study tries to analyse empowerment of women through SHG mode in the backward area.
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