CHAPTER – II

REVIEW OF LITERATURE AND CONCEPTS

2.1 INTRODUCTION

To develop clarity and comprehension in any study, it is necessary first to review the various concepts, research methodologies and analytical tools used by researchers in earlier studies. Such an attempt would help the researcher to have a better and more precise understanding of the perspectives of the research problem and would also facilitate the researcher to modify and improve the present analytical framework in the right direction to suit the problem situation. The findings of earlier studies would help the researcher in setting the hypothesis and objectives and enable him to compare his own findings. This chapter briefly reviews the concepts, research methodologies, analytical tools and findings of the past studies, which are relevant to the present study.

2.2 Review

(Fernandez 1994) reveal that certain elements become crucial or critical for the successful formation and functioning of the groups. These include voluntary nature of the group, small size and homogeneity of membership, transparent and participative decision making, and brisk use of funds for micro-enterprise ventures.
Sakunthala Narashiman (1995)\textsuperscript{2} stated that strategies for empowering women must go beyond economic restructuring, as rural women lack self-assurance and motivation. She further argued that information and awareness ensure avoiding exploitation, and in this sense information and awareness enable members to gain empowerment. She emphasized that the group must focus on human resource development rather than on identifying sources to generate income. She stressed the fact that economic benefits can accrue to the group through community solidarity. She further pointed out that economic betterment is necessary, but is not a sufficient condition for the empowerment of women.

Pillai, G.M. (1998)\textsuperscript{3} focused on the contribution of training programmes to the status of women in India. He has recognized the importance of making gender issues a priority one in policy formulation and implementation. Further, he has introduced a gender analytical framework that gives priority to gender issues in formulating and implementing policies.

(Citron, et al., (1999)\textsuperscript{4} studied the activities of the Self-Help Groups that empower women to cope with problems and stresses, and found they also empower members in their relations with the organizations that serve them, and the community where they live. Empirically, it has been found that participation in activities of the SHGs is instrumental in reducing family burden, loneliness, and guilt-feeling; and at a macro-level, the advocacy activities of the members of the SHGs can affect government policies.
Rani (1999)\textsuperscript{5} evaluated the performance of the SHGs in Medak district of Andhra Pradesh and observed that the SHGs have become one of the largest and highly accepted means of effective delivery mechanisms in the world. It is one of important factors determining empowerment and promote collective action that paves the way for transparency and accountability. She has further argued that provision of skill, financial services and products delivered to the poor through the SHGs, have contributed to rural development. The programme has a strong gender bias as more than 85 per cent are women. The collective actions through the groups have not only contributed to women empowerment but have also increased their participation in the economic activities and decision making, both at the household as well as at the society level.

Chouthury et al., (2001)\textsuperscript{6} have stated that poverty alleviation forms the integral part of the rural development strategies in India. Micro credit is considered as a push factor that enables the poor come out of poverty. The study shows that there exists no symbiotic relationship between the SHGs and the micro enterprise development. However, there are evidences to show that the flow of the micro-credit did trigger the growth impulses among the small entrepreneurs. It also observed that group enterprise on a large scale involves greater risks but yields better returns to the entrepreneurs. Further, the SHGs as a system have infused certain synergy among its members to move up in the socio-economic ladder from a passive onlooker to an active partner/stakeholder in the development
process. In short, the SHGs have served the cause of women empowerment, social solidarity and socio economic betterment of the poor in their own setting.

Singh (2001)\textsuperscript{7} has reviewed the status of women and the initiatives being taken by the various agencies for empowering women. He examined the constraints and inherent obstacles that the system and programmes face in terms operation. The article contains extensive discussions on the implications of various policies and programmes that aim at empowering women. The author also observed that opportunities for women have indeed increased but not proportionate to the rate of increase in female population.

Fernandez (2001)\textsuperscript{8} has argued that the potential benefit of credit to the SHGs as an empowering tool declines if the strategy of credit management, process of savings, lending and repayment are not developed and controlled by the group. It is not credit per se, but the management of credit and the quality of governance of the institutions set up by the people to manage credit that empowers. This study attempted to throw light on whether the credit management is a useful instrument for institutional building. Another issue addressed is whether all the members of the SHGs are empowered or only a few. It assures some impact of groups on village life and on gender relations within families. It has been further documented that the structural constraints in the institutional set up are highly responsible for poverty.
Kannan (2001)\textsuperscript{9} in his doctoral research work has focused on the impact of the PRA and participatory approaches on the rural women. While making a comparative analysis of the role played by the government and the NGOs, he observed that group discussion emerges as a key technique of the PRA to ensure participation of the rural women in developmental activities. By being a member of a group, women get the feel of empowerment and approach officials with confidence.

There are gains through periodic meetings and group discussions in the form of cohesiveness and initiatives in approaching officials. There is a sea change in the attitude of rural women. They have become confident and empowered to voice their demands. However, there seems to be a dependency syndrome, as better coordination of group members is achieved only through supporting agencies. Hence, it reflects only partial empowerment achieved that is through group activities.

Suguna (2002)\textsuperscript{10} mentioned three dimensions of women empowerment, namely economic, social and political. The economic empowerment includes skill development, income generation and credit availability, whereas the social empowerment consists of equality of treatment, equality of respect, equality of opportunity, equality of recognition and equality of status. The political empowerment represents the process of controlling power and strengthening of their vitality.
Gangi Reddy (2002)\textsuperscript{11} in the paper on planning and implementation of Swarnajayanthi Gram Swarozgar Yojana (SGSY): studied the need for improvement and revealed that the positive factors for the dairy industry include the availability of fodder, scope for higher margins and market infrastructure. The group that has received assistance under SGSY was also oriented to better management of the enterprise and timely repayment of loans. The assistance provided under SGSY has helped them in increasing their production capacity and returns from activities and suggested that (i) co-ordination between various departments (ii) strengthening training and capacity-building (iii) marketing support for SGSY products and (iv) organizing industrial visits and study tours are necessary.

Sivaramakrishnan (2003)\textsuperscript{12} explains that the Swarajayanti Gram Swarozgar Yojana aims at establishing a large number of micro-enterprises in the rural areas, building upon the potential of the rural poor. The objective under SGSY is to bring every assisted family above the poverty line in three years. Towards this end, SGSY is conceived as a holistic programme of micro-enterprises covering all aspects of self-employment, viz. organisation of the rural poor into Self-Help Groups and their capacity building, planning of activity clusters, infrastructure build up, technology, credit and marketing.

Villi (2003)\textsuperscript{13} has highlighted in his article “Self Help Groups – Micro Enterprises (Some Issues, Challenges, Alternatives)” that rural micro enterprises play a vital role in areas like promoting and generating avenues for rural employment,
utilization of local and rural resources, skills development, promotion of rural entrepreneurship, mitigating regional imbalances, reducing rural - urban disparity, arresting migration of rural labour to urban centres and creating capital assets in the rural areas itself.

Amal Mandal (2003)\textsuperscript{14} in his article, Swarnjayanti Gram Swarozgar Yojana and Self Help Groups- an Assessment found that mere formation of group does not remove poverty but noted that stability of SHG and involvement of micro enterprises is a first step to remove poverty. He suggested that social dynamism and political support are the important variables for determining the success of SHGs and SGSY. The emphasis of the SGSY on small savings and thrift gives a sense of ownership to the Self Help Groups. Moreover, the extent of bank credit will be according to the maturity and absorbing capacity of each group. He concluded that a monitoring and intermediary role should be played continuously, at least until the groups take on economic activity.

Villi (2003)\textsuperscript{15} revealed that better utilization of available funds, capacity building, right attitude and proper planning of micro-enterprises are absolutely essential. In order to achieve in this direction, it is necessary to create an atmosphere where a poor man can start a enterprise at the micro-level on a sustainable basis. Majority of the projects, especially self employment projects, are not successful due to lack of proper planning.
Sheik Mohamed (2003)\textsuperscript{16} has mentioned in his article, ‘Self Help Groups for the Success of Women Entrepreneurs’, that women are contributing significantly in modern business and commercial world in their own way. Working women can be classified into different categories like women entrepreneurs, highly qualified professionals, employees in the organized private and public sectors and women workers in unorganized sector. He has also explained that transforming the prevailing social discrimination against women must become the top priority and must happen concurrently with increased direct action to rapidly improve the social and economic status of women.

Rosappu and Kalyana Sundar (2004)\textsuperscript{17} have discussed in their article, ‘Economic Independence through Self Help Group’ that in the absence of extra time and government jobs, the role of SHGs in generating funds, getting loan from the banks and indulging in various business like making soaps, mats, chocolates, pappads, building toilets, making coconut spoons, running tea shops, stone quarries, installing gas plants and solar energy networks is highly commendable.

Karuthiah Pandian (2004)\textsuperscript{18} in his research suggests that the whole SHG movement should be re oriented towards training for starting micro enterprises by providing prompt and needed amount of loans. In this era of globalization, there is a wide scope for encouraging micro enterprises to manufacture machine tools, components of TV, radio, watches, cosmetic and even microchips of computers and other electronic goods. Such cottage industries exist and flourish in China, Korea and Singapore. Indian women create history if they are helped to rise to the
occasion for more productivity jobs and absorb surplus labour in the rural areas. This is the real women empowerment, which is not impossible.

Krishna Kumari and Vani (2004)\textsuperscript{19} mentioned that a systematic and planned approach to bring in a positive image of women in India and making print media more accessible to women are certain to reverse the current unhealthy trend of negativism and type casting. The policy should specifically strive to remove demeaning, degrading and negative conventional stereotypical images of women and violence against women.

Tripathy (2004)\textsuperscript{20} identified that the success of the economic activities taken up by the self-employed persons largely depends on their social influence, their role in the decision making process, broader financial base through enhanced thrift, and credit activities and widened ownership rights to the assets created by them. Thus, increased community solidarity has to be ensured to have a collective action and to address location specific problems.

Kala. G.S. (2004)\textsuperscript{21} in her study, “Economic Empowerment of Women through SHGs” has concluded that SHG are not only engaged in savings and internal lending activities but also function as important sustainable rural structures for dissemination of knowledge about nutrition, literacy, education, adoption of new agricultural practices, farm and non-farm sector economic activities and prepare women to take up leadership positions. Effective interventions through process oriented empowerment program for women have been a found to be successful in improving their status in family and society, while giving a feeling of self worth and esteem.
Seilan. A (2005)\textsuperscript{22} in his research report revealed that significant changes in the living standards of SHGs members have taken place in terms of increase in income level, assets, borrowing capacity, savings and income generating activity. It also found that it has increased the awareness of members, girls’ education, outside conduct and decision making skill. The study also indicates if the group formation is correct, designating there will have a positive impact on all activities.

Kamaraju (2005)\textsuperscript{23} has mentioned in his article, Self Help Groups “Emerging Rural Enterprises” that in rural areas SHGs utilized the loan for purchasing milch animals, goats and for meeting personal urgent needs. Some SHGs have purchased power tillers for agriculture purpose for hire. Investment in power tiller will increase their income both individually and collectively. Hiring out power tiller to peasants is an important entrepreneurial activity of SHGs. He has also indicated that the SHGs should function as non-political and non-controversial institutions. Political and religious neutrality paves the way for its healthy growth. He has also argued that SHG gains momentum nowadays because of its many-fold effect in the economic empowerment of poor women.

Ramakrishnan (2005)\textsuperscript{24} has highlighted in his work, ‘Online payment facility to give boost to SHGs’ that online payment facility for products manufactured by rural SHGs in the state will soon become a reality. Both the state and district level bodies are marketing products made by the SHGs. He has also expressed that the facility will be available to those within the country. Online payment can be made by accessing the website, http://www.tn uralbazaar.in. The SHGs transact business to the tune of Rs 2 crore to Rs 3 crore. A novel marketing strategy adopted by them is ‘Intra sales’, where
requirements of one set of groups are met by another. They have set up 225 village shops and 28 district marketing complexes.

Subashini Muthukrishnan (2005)\textsuperscript{25} has explained in her paper “Effective Marketing Strategies for Women Self Help Groups” that the SHGs should be careful in terms of positioning their product relative to other competitive products and markets. They have to decide on the product and in price vis-a-vis its cost of production, returns and the price at which its competitors are selling the product, credit time, marketing infrastructure available, etc. She has also specified that SHGs must focus on improving the quality of the product.

Rakesh Malhotra (2005)\textsuperscript{26} in the article, “Imperative Need for Fine Tuning the SGSY” recommended that the senior government officials should be allocated specific targets for evaluating at least three SHGs per month. It should be mandatory for the banker also. The researcher also suggested that there is a continuous need to impart training to Swarozgaries field functionaries of Government, NGOs and bankers’ exposures for the successful functioning of SHGs.

Shobha Nagnur et al., (2005)\textsuperscript{27} identified that the ability to generate income has been uplifted with the help of micro-enterprises run by women. The women successfully combined agro-based micro enterprises with life on the farm in order to become socio-economically independent.
Mahendra Varman (2005)\textsuperscript{28} found that banking habits were a positive function of the years of experience of micro finance programmes through the SHGs. The leadership experience in the SHGs greatly influences the bank account holding. Leadership experience in the SHGs would improve an individual’s banking habits much more than simply holding membership.

Ramachandran and Seilan (2005)\textsuperscript{29} identified the benefits of the SHGs namely development of saving habit among the poor, access to larger quantum of sources, window for better technology and access to various promotional assistance. The important indicators of empowerment among the SHGs are ability to contribute towards the family income, skill upgradation, understanding the banking operations, improvement in the standard of living, better leadership and communication skills, awareness in health education and decision making of women at community, village and household levels.

Perumal (2005)\textsuperscript{30} found that the family expenditure has increased due to positive change in the income of the members of the SHGs. The incremental income not only enhances the expenditure of family but also promotes the savings. Nowadays, many SHGs that are starting small businesses, cottage industries, food processing units, and the like. Majority of the SHG members are socially, culturally and politically empowered.

Rosa (2005)\textsuperscript{31} in an article entitled “Women Empowerment and Family Setup,” analysed the extent of exercising the decision making power by employed women in their families and observed that the employment contributes a great
degree to the empowerment of women in the family. He recommended that more opportunities should be provided to women on employment or self-employment for women empowerment in the society.

Darling Selvi (2005)\textsuperscript{32} in her study titled “Impact of SHG Training” has analysed the survey which was conducted in Kanyakumari district among a hundred SHG’s members in the district. It highlights the reason for offering SHG training. They are empowering women to utilize time more profitably and earn on their own. Their satisfaction about the scheme is excellent. It is concluded from the analysis that the factors such as occupation, experience of the members, education, and income influence the satisfaction of the members, whereas factors like type of training, training period, family size do not influence much.

Gomathi. V (2006)\textsuperscript{33} in her study titled “Development of Women Entrepreneurs – Recent Trends”, has concluded that the problems of poverty and unemployment can be solved by developing entrepreneurial skill among the youth. A country which is rich in entrepreneurship, can attain high economic goals.

Joseph and Eswaran Kanagaraj (2006)\textsuperscript{34} in their article titled “SHG and Tribal Development in Mizoram” have concluded that the government is apathetic towards SHGs. They reported delay in sanctioning and disbursement of loan to SHGs lack of coordination between government agencies, banks and SHGs. This might have resulted in the decline of the perception of benefits by the respondents, the administrators and bankers by the respondents. The administrators and bankers need to infuse confidence in the minds of the members of SHGs. Efforts should be made to avoid delay in sanctioning revolving fund and loan.
Bannur (2006)\textsuperscript{35} in his article, “Problem and Prospects of Women Entrepreneurs in Hubli and Dharward industrial Estates – A Case Study,” has suggested that women entrepreneurs should be treated as a separate target group in all entrepreneurial programmes. Special channels should be formed to finance only the women entrepreneurs. Separate commission should be established for their development.

Gomathi (2006)\textsuperscript{36} mentioned about the problems of women entrepreneurs which are financial constraints, over dependence on intermediaries, scarcity of raw-materials, intense competition, high cost of production, low mobility, family ties, social attitudes, lack of education, lack of training, family support, practical knowledge, and self confidence, inadequate marketing facilities and inadequate managing skills.

Naidu, M.C., Dasaratharamaiah, (2006)\textsuperscript{37} revealed that the annual income of the SHG members has increased to a considerable amount. Due to effective organization of the DWCRA programme in the mandal, the man days of employment among all sections of the rural women increased significantly. The self employment programmes like dairying, poultrying, artisans, tailoring and running petty shops are very essential to create self-employment as well as wage employment among the rural women.

Malik and Srilatha Vani (2006)\textsuperscript{38} mentioned that the micro enterprises fulfill four objectives namely poverty reduction, employment generation, enterprise development and empowerment of women. Micro enterprises contribute to an increased diversification of household economic activities, increased relevance on
productive activities, and improved economic security. Micro enterprises had significant relevance in the empowerment of women.

Anant Kumar (2006)\textsuperscript{39} revealed that women’s participation in the Self Help Groups played a revolutionary role in poverty alleviation and achieved gender equity by empowering women not only to take economic decisions but also through the group activity inculcating in them qualities of team work, leadership skills and building their capacities towards generating higher incomes, being independent and so on. The SHGs can also be useful platforms for enhancing women’s health through increased knowledge and awareness about health issues and financial security during health emergencies.

Kaur and Kaur (2006)\textsuperscript{40} identified that with the efforts of extension agencies to mobilize the rural women into any entrepreneurial venture and with the policy measures of the government that provide assistance, incentives, concessions to start a venture, they enter business due to financial, technical and other facilities offered by the state agencies. Thus, they become “induced entrepreneurs”, so they need constant support to keep them motivated in their enterprise.

Kumar and Vanitha (2006)\textsuperscript{41} identified that the success of any strategy for women empowerment depends upon the factors, namely, level of education, social customs, family planning, small family, health, medical services, cleanliness, environment, tree growing and kitchen gardening.
Sakunthalai et al., (2006)\textsuperscript{42} revealed that the Self Help Groups are widely used as instruments to empower women socially and economically. Once socio-economic empowerment is achieved, it would have implications on the overall development of women. The economic contribution of women has been found to be related to her role and status in the society. Economic independence facilitates in bringing about sexual equality and increased income of women translates more directly into family well-being.

Usha Revelli (2006)\textsuperscript{43} revealed that Self-Help Groups in the Chenchu tribal areas of Andhra Pradesh are participating in a community process that was initiated by the UNIFEM. They have been empowered to market their forest produce thereby earning a good profit. The women of these SHGs have demonstrated women power in the market place. Women, empowered with the solidarity of their collectives, empowered with product and market knowledge, and supported by their own and external financial resources can perform very well in the market place.

Naidu et al., (2006)\textsuperscript{44} found that the annual income and man days of employment have been increased due to the implementation of the DWCRA programme in the mandal. The important activities done by the SHG members are running dairy, poultry, working as artisans, tailoring and running petty shops. The savings in the post office, and in the banks have also increased by a considerable level.
Subbiah and Selvakumar (2006) mentioned that the SHG bank linkage programme is now considered by the banking systems as a commercial proposition, with advantages of lower transaction cost, near zero Non Performing Assets (NPA) and the coverage of maximum number of clientele by the bank branches. It has also led to other quantifiable benefits in business expansion. The SHGs give the money by rotation to the needy members for various purposes at a specified low interest rate.

Abdul Raheem (2006) in his research paper on “Role of SHGs” says that micro credit programmes extend small loans to poor people for self-employment projects that generate income, allowing them to care for themselves and their families. In most cases, micro-credit programmes offer a combination of services and resources to their clients in addition to the credit for self-employment. These often include savings facilities, training, networking and peer support.

Sangamithra (2006) in her article, “Women: Are They Potential Agents of Empowerment?” viewed that empowerment would enable the person to gain insight and have awareness of what is undesirable and unfavourable about the current situation, perceive a better situation, possibilities of attaining it and realizing what is within their reach. Women’s powerlessness arises from their illiteracy, lack of awareness, lack of information and knowledge about markets and lack of money, lack of job opportunities, lack of connection to those who can provide jobs and lend them money to start their own small enterprises.
Usha Thorat (2006)\textsuperscript{48} in her study revealed that the central theme of the Millennium Development Goals (MDGs) is reduction of poverty in all its forms. The SHG movement in India has enabled social and economic inclusion of women. The intervention of micro finance has resulted in finding a united voice for the women, getting bank finance for economic activities, creation of social capital and empowerment, running large services ranging from health, education and marketing apart from savings, loans and insurance.

Vijayachandran Pillai and Harikumar (2006)\textsuperscript{49} in their article oneself Help Groups in Kerala’, have focused on the various innovative programmes and schemes to address the issue of poverty and unemployment prevailing in India. They pointed out that SHGs faced problems in different areas such as inadequate training facilities, problems of marketing, lack of stability and unity, especially among women SHGs, weak financial management and inadequate support from government departments. Further, they have suggested that, in marketing of SHGs product, the state level organization KERAMS (Kerala Rural Development and Marketing Society) should extend their activities throughout the state; NGOs and financial institutions can play a significant role in empowering women.

Abraham George (2006)\textsuperscript{50} in his paper “NGOs-George Foundation” has analysed the role of NGOs in poverty alleviation and empowerment of women in Krishnagiri district. The author highlighted the primary needs for women’s empowerment. The needs were that adequate training should be given to women,
they should be trained in the use of superior technology to obtain better output and they should be motivated to concentrate on the creation of financial assets, ownership of physical assets, sharing of resources and in getting access to transformation and marketing. If it was done successfully, they could be lifted out of poverty and they would be able to lead a decent life and send their children to school without any gender discrimination. It will definitely lead to their empowerment.

Joseph et al., (2006)\textsuperscript{51} in their article namely “SHGs and Tribal Development in Mizoram” argue that the objectives of the study were to probe into composition of the group, to access the impact of the SHGs and to identify the constraints. They mainly focused on the problems of male domination, restriction for women in the public sphere, lack of government attention, high rate of interest and insufficiency of loans. They also studied the problems such as the inability of the members to repay, delay in the disbursement of loans and the presence of the rich in the SHGs. The suggestions of the study were that efforts should be taken to avoid delay; the government should encourage the NGOs and the SHGs should be trained to play a vital role in the empowerment of women and the NGOs should maximize the inclusion of the poor household women in their groups.

Sivaramakrishnan (2007)\textsuperscript{52} opines that the Swaranajayanthi Gram Swarojgar Yojana aims at establishing a large number of micro-enterprises in rural areas, banking upon the potential of the rural poor. The objective under SGSY is to bring every assisted family above the poverty line in three years.
Mahalakshmi (2007)\textsuperscript{53} analyzed the performance of rural development programs like SGSY and Mahalir Thittams through SHG in the study district. To study the income and income generation activity of different micro enterprise, the primary data were collected from beneficiaries of SGSY. The analysis showed a positive correlation between income and employment of different enterprises of SHGs in Kanyakumari district. It also revealed the employment per household during pre SHG period was farm activities and after SGSY the situation has changed. They had generated employment through non- farm and off- farm activities.

Ananta et al., (2007)\textsuperscript{54} have made an attempt to analyse the role and performance of SHGs in promoting women's empowerment. The study revealed that SHGs had set a new agenda for financial intermediation by banks in the form of micro-credit. By the formation of SHGs, credits are demanded for various purposes (domestic, health, festivals, repayment of old debts, investment, etc.). Similarly different economic activities (collection, processing and marketing of minor forest products, individual business, goatery, dairy etc.) are undertaken by the SHG members after joining the group. Habits of savings, economic independence, self confidence, social cohesion, asset ownership, freedom from debt, additional employment, etc. are derived by the SHG members. Thus, SHGs have served the cause of women empowerment, social solidarity and socio-economic betterment of the poor.
Sanyasini Pattnaik (2007)\textsuperscript{55} in his article on the scope of NGOs and linkages in inclusive growth stated that those who had access to financial services while participating in micro finance programmes were able to derive appreciable benefits both at individual and household levels. There is a strong indicative evidence that the impact is deeply felt by women. The majority of women, though illiterate save, borrow, invest, repay and manage their own SHG affairs, deal with banks for financial transactions, contribute to the household economy and improve their standing in the family and for the first time in their lives take a positive view of the future.

Vinayagamoorthy (2007)\textsuperscript{56} found that the income of women has increased after joining the SHGs. So the monthly household expenditure has also been raised to considerable level. But the saving is increasing at a slow rate, because the incremental expenditure is higher. Mostly they are spending for personal consumption. Since the repayment of loan is regular and within the time, it is concluded that the economic activities of the SHGs are quite successful. In this way, the SHGs in North Tamilnadu are very successful in developing women empowerment and rural areas.

Lokeshkumar Jain (2007)\textsuperscript{57} studied the rural development management. A case is concerned with an illiterate lady Jyotsanbean Kantibhai Choudhary of Indrapura village who registered a landmark success by carrying out dairy activity at grass root level with the assistance of village level milk co-operative society. The study revealed her coverage, entrepreneurial spirit as well as skills and
scientific management approach towards fast growing business. Her achievements has strongly been appealing to forthcoming efforts for women empowerment and improvement in the standard of living with the critical situation of limited resources at local level.

Banumathy and Niveda (2007)\(^{58}\) in their study on economic empowerment of women-need of the hour stated the reasons for women joining the SHGs in Virudhunagar and the socio-economic status of women before and after joining SHGs. According to the study, the main reasons for women joining SHGs are to get loan for starting business and to get empowered. The respondents also get loan to educate their children and to start business. The researcher had found out that SHGs have not only raised the socio-economic status of women members but have also improved self confidence and leadership qualities among women.

Sakthivel Murugan and Begum (2008)\(^{59}\) have made an attempt to explain the predominant barriers to women entrepreneurs. The study is based on the primary data collected from the sample 100 entrepreneurs of Chennai city. The study reveals that social and cultural barriers are a formidable block for the development of women entrepreneurs. The study concluded that entrepreneurs with ability to plan and run a business, deliver quality products.

Ganapathi and Sannasi (2008)\(^{60}\) highlighted the factors influencing women entrepreneurs. The study highlighted the common features of women entrepreneurs, challenges faced by them while undertaking the entrepreneurial activities, and the necessary strategies to overcome the challenges. The study concluded that women must
be motivated to establish businesses in the interest of the family income in particular, and national income in general.

Anbu Malar. S (2008)\textsuperscript{61} conducted a study to identify the needs, aspirations and attitudes of consumers. The study focuses on areas like the extent of awareness of SHG products, factors influencing the consumers to buy the SHG products, satisfaction level of consumers from SHG products and problems of consumers in buying SHG products.

There is a stiff competition between mechanized products of large scale companies and the SHG products in urban areas and the main aim of the people who buy these products is to help and promote social reform and out of sympathy for the SHGs. The SHGs should be more active in explaining the quality of their products to the buyers. Some of the products which are convenient produced for market by SHGs include fibre based products like carry bags, hand bags, decoration items, palm leaf products like baskets, leaf mats, coconut shell products, toys made of paper, fruits, terroacotta sea shell crafts, cut flower items, imitation ornaments, and bead ornaments, food items, honey and honey based products, pickles, sea foods, appalam, flour items, bakery products.

Singh Rashmi (2008)\textsuperscript{62} conducted a study aimed at finding out the critical entrepreneurial competencies established women entrepreneur possess. These competencies help them to establish and manage that their enterprises so as to earn profits and be successful. Entrepreneurial traits like initiative, opportunity seeking, self confidence, persuasion ability, assertiveness, influence, persistence, information, concern for high quality, commitment, sense of efficacy, systematic planning and problem solving contribute to the competency of an entrepreneur and thus affect her entrepreneurial performance. If was found that in general, the respondents were found to possess high
competency. Further comparison between low profit earners and high profit earners showed that high profit earner - entrepreneurs were found to have high entrepreneurial competency score than low profit earning respondents.

Gladis Mary John (2008)\textsuperscript{63} in her paper titled “women Empowerment through Self Help Groups”, observed that self employment through SHGs has increased the earning capacity and economic independence and gave an important place to women in the decision making process within the families. They become courageous enough to go out and interact with others. The author has also suggested that more awareness should be given to all women about their role in the family and society by conducting meetings and training programmes.

Kumararaja (2009)\textsuperscript{64} in analyzing the impact of Mahalir Thittam of Tamil Nadu has observed that SHG women are currently involved in economic activities such as production and marketing of agarbathis, candle and soap, readymade garments, pickles, pappad, vathal, fur toys, bags, palm leaf products, ornaments, eatables, coir mats and other coir products, mattresses, chaples foot wear, leather goods, etc. SHG women monitor the normal and proper functioning of the ration shops, maintain vigil on brewing of illicit liquor and help the aged, deserted and widows to obtain loan. In addition to savings, the SHGs are engaged in village cleanliness, repair of village approach, roads adult literacy campaign, family planning and child health, pulse polio campaign, backyard garden, health check-up camps, prohibition in the village, banning tobacco consumption and sales, AIDS awareness, etc. The project has achieved 100% repayment in case of lending to SHGs, by banks and 95% in internal lending of Self-Help Groups. Repayment rates of direct borrowers have increased from 30 to 70 per cent. Banks
disburse credit to SHGs within seven days at their doorsteps. SHGs help in forming Village Development Council (VDC). These VDC members are involved in social and infrastructural development works.

Sankaran (2009) has made a study on the trends and problems of rural women entrepreneurs in India. The study highlights the conceptual aspects of trends and problems of rural women entrepreneurs in India. It concludes that women have creative ability, easy adaptability and ability to cope with setbacks.

Tonmoyee Banerjee (2009) in his case study made an effort to estimate the impact of Self-Help Groups created under SGSY programme and has observed that income generation through group activities has improved the average income of group members, but the inequality of distribution of income is high among the group members than that of the non-group members. Further there has been a significant decline in the medical expenditure and school drop-out rate in the families of group members than that of non-group members.

Jitendra Ahirrao (2009) in his article “Rural Women empowerment through Micro Finance”, stated that Self Help Group is a suitable means for the empowerment of women. The impacts of SHGs on socio-economic status of women were found significant. Micro finance programmes are currently being promoted as a key strategy for simultaneously addressing both poverty alleviation and women empowerment. Micro credits are enough for innovative and hard working micro entrepreneurs to start small businesses such as making handicraft items. From the income of this small business, the borrowers of micro credit can
enjoy better life, food, shelter, health care and education for their families and above all, these small earnings will provide a hope for a better future.

Arumugam (2009)\(^{68}\) in his article on women empowerment pointed out that the year 2001 was declared as Women Empowerment Year. When women are empowered, they acquire latest techniques and they gain importance in education, agriculture, employment and in government services. Through the Self Help Groups, women mobilize funds, avail bank loans and conduct meetings to pass resolutions to promote the welfare of women in all walks of life. This women empowerment leads to a happy and powerful life of women on par with men in the society.

Satpal Sunil Phougat and Silender Hooda (2010)\(^{69}\) stated that there is lack of diversities in the Self-Help Group activities in the state. The highest amount of resource has been spent on primary sector and mainly on milk cattle. There is less attention in other areas such as handlooms, handicrafts and other activities in the state. The problem of marketing of the goods by Self-Help Groups is a big constraint in achieving the targets. So there is need for proper attention to solve such type of problems under SGSY.

Sujata Kumari et. al (2010)\(^{70}\) undertook a study with an objective to study the problems of rural women entrepreneurs. It was conducted in the rural areas of Rajasthan with 60 rural women of whom half were engaged in entrepreneurial activity and the other half were not. Interview method was used to collect data from women. Information on the entrepreneurial problems was gathered and analysed. The results of the study indicate lack of supportive network, financial and marketing were the major problem areas for
rural women entrepreneurs and major de-motivator for other women to initiate entrepreneurial activity.

Subramanian (2010) in his article, “Empowerment of Women through SHGs in Tirunelveli District, Tamil Nadu – A SWOT Analysis”, revealed that the capacity building exercises taken up by the promoting agencies are not adequate to meet the need of SHGs members. They lack proficiency in soft skills, technical skills and managerial skills. He suggested that leadership qualities of SHG members need improvement. The SHG members are to be trained in soft skills like leadership traits, team spirit, negotiation, risk-taking, assertiveness, etc. Intensive training in all functional aspects of business is to be given to the promoters, prior to the operation of micro enterprises.

Somesh et al., (2010) in their article named “Women Empowerment - Role of SHGs and NGOs”, observed that SHGs have been playing an important role in the empowerment of women. Majority of the SHG members use the financial resources for investment in asset creation. From the study, it is was revealed that majority of the respondents joined SHG by the encouragement of NGOs followed by the encouragement of SHG members and remaining members joined due to the encouragement of friends.

Arjun Y Pangannavar (2010) in his article “Women SHG Programme and Rural Poverty: a Micro Study”, reveals that incidence of poverty is more in rural India. The government had made efforts through rural development programmes to overcome the problem of poverty. But these programmes are reduced to mere
subsidy giving programs and they have failed to provide safety nets like guaranteed employment, stable assured income and gender justice. So women empowerment issue has received more thrust and significance in rural development studies. Unless and until villages are free from poverty, the efforts for the development of Indian economy will be futile, fruitless and rather burdensome.

Laseman B.Bahir (2010)\textsuperscript{74} in his article, “Performance Evaluation of SHGs in India”, explains that there has been tremendous growth in the number of SHGs, the amount of loans granted to their members, and the number of families covered. This has increased the economic impacts in the country through them but there is yet a long way to go. 70 per cent of poor families in the country are yet to be covered and most of the states have yet to encourage the organizations and promotion of SHGs - bank credit link to provide micro-credit to the poor people for poverty alleviation. Therefore, NGOs, banks and different government agencies have to play a very important role in educating people with a view to expand the network of SHGs all over the country and thereby to achieve poverty alleviation for the welfare of poor people, particularly poor women, on the track of success of the Grameen Bank in Bangladesh promoted by Dr. Muhammad Yunus, a Nobel Peace Prize laureate.

Gopi. M (2011)\textsuperscript{75} in his research found that before formation of SHGs most women remained housewives and their involvement in economies activity was very less. After the formation of SHGs their occupational status has improved. The respondents
have deposit their savings in savings accounts, recurring deposits and fixed deposit accounts. They have gained production machinery and technical skills. Most of the women availed loan to commence new businesses but they have taken assistance in identifying the project from banker which is a drawback. The study also found out that the problems faced by SHGs are marketing the product produced by SHGs due to lack of marketing strategies, no liaison with SHGs in interior urban markets, lack of coordination and imagination to overcome constraints in their marketing efforts. So he suggested that government and DRDA should sort out the problem immediately. Until this women would not able to enlarge their economic activities as it would adversely affect sustainability.

Venkateshmarthy and Dinesh (2011)\(^76\) in their article, “SHGs and Empowerment of Women - a Study”, found that after joining SHG, all members earn money. The SHGs play a pivotal role in social transformation, welfare activities and infrastructure building and they have served the cause of women empowerment, social solidarity and socio-economic betterment of the poor.

Shashikala and Uma (2011)\(^77\) in their article on “Women Empowerment through SHGs - a study”, Stated that micro finance scheme is dominated by Self Help Groups. Bank linkage programmes aimed at providing financial services to the undetached poor based on the philosophy of peer pressure and group securing collateral substitute. The SHG programme has been successful not only in meeting peculiar needs of the rural poor, but also in strengthening collective self help capacities of the poor at the local level, leading to their empowerment. SHGs
are making sufficient contribution to women empowerment and empower the members in economic, social and political spheres.

Shunmugam (2011)\textsuperscript{78} in his article entitled “Women’s Empowerment—a Powerful Strategy for Women’s Liberty and Emancipation”, pointed out that, empowerment is control over material assets, intellectual resources and ideology. Empowerment is redistribution of power. Empowerment has become the key solution to many social problems. Power may be personal and social. It is a sense of gaining control, sense of participating and a sense of decision making. The components of women empowerment are awareness building, capacity building, decision making, administering equality between men and women and so on.

Vanitha Mani M.R and Sandhya Menon (2012)\textsuperscript{79} in the article entitled “Enhancing Entrepreneurial Success of Self Help Group (SHG) Women Entrepreneurs Through Effective Training” set a hypothesis that relevancy of training attended by women entrepreneurs and usage to the business affects their entrepreneurial competency. It found that there exists a significant relationship between the relevancy of training inputs and their entrepreneurial competency. Through various skill development training women entrepreneurs’ have developed special skills that have motivated them to start businesses. The study also concluded that there is a significant relationship between the entrepreneurial competency and relevant training inputs, which define the ultimate success of SHG women entrepreneurs.
Choudari Appa Rao (2012)\textsuperscript{80} in his study concluded that the backward class people in the rural areas are more interested in joining the SHGs to start micro enterprises to generate more income. SHGs through bank linkages have provided them a chance to start micro enterprises and also provide employment. The most predominant micro enterprise found in the rural areas of the sample districts are petty businesses, where the owner herself can do most of the work without any dependence on other members. The study suggests that the whole SHG movement in Andhra Pradesh should be reoriented towards training women for starting micro-enterprises by providing prompt and needed amount of loans.

Shanthi (2012)\textsuperscript{81} in her paper on “An Analysis on Income Generation of self Help Group Members” found that the income of the women members influences the total household income.

Snigda Sukumar et al., (2012)\textsuperscript{82} in their study reveal that the entrepreneur plays an important catalytic role in helping rural population mobilize their own entrepreneurship. An appropriate role of government agencies is therefore to create an enabling environment allowing rural SHGs to grow and perform their functions more effectively to the extent that they become independent; however some such groups are unable to function effectively because of lack of professionalism, technical incompetence and lack of entrepreneurial skills. The government also has an important capacity building role so that the SHGs develop into self reliant organizations over time.
2.3 Research Gap

The researcher could peruse a number of research works, studies and books already published relating to the study undertaken. He could gain significant insights into the several aspects, and dimensions, of empowerment, prospects and problems of the SHGs at different places and stages. Still, one could identify a few gaps in the previous studies or past literatures with respect to the objectives of SHGs.

In the light of such research gaps, the present research study has been designed and completed. This study “Development of Women Entrepreneur through Self Help Groups - A Study In Thoothukudi District under the Scheme of SGSY in Rural Areas”, tries to fill in the research gaps in a modest manner. The researcher has been optimistic that this task is well met to a very great extent.

2.4 CONCEPTS

2.4.1 Self Help Group

SHG is a small voluntary association of poor people, preferably from the same socio-economic background. They come together for the purpose of solving their common problems through self-help and mutual help. Usually, the number of members in one SHG does not exceed twenty.
2.4.2 Micro Credit:

Micro credit is defined as a provision of thrift, credit and other financial services and products of very small value to the poor in rural, semiurban and urban areas for enabling them to raise their income levels and improve living standards.

2.4.3 Micro Enterprise:

Micro enterprises are businesses in which people invest small amounts of capital for getting some return. This earning may be the sole income or can be an additional income to the wage earnings of the beneficiaries. The investment may range between Rs.2,000 and 10,000. The usual investments are in activities such as mulching, trading in seasonal agriculture products, tailoring, grocery, and vegetable or fruits sales.

2.4.4 Women Entrepreneurship:

Women Entrepreneurship refers to an enterprise owned and controlled by women with a minimum financial investment of 51 percent of the capital and offering at least 51 percent of the employment generated in the enterprise to women.

2.4.5 Women Entrepreneur:

Women entrepreneur may be defined as the women or a group of women who initiate, organize and operate a business enterprise.
REFERENCES


24. Ramakrishnan, T. Online Payment Facility to give a boost to SHGs’, The Hindu, dated 7 oct 2005.


75. Gopi M “ROLE OF NABARD, MICRO CREDIT AND MICRO FINANCE TO SELP HELF GROPS WITH SPECIAL REFERENCE TO COIMBATORE CITY”. *Thesis submitted to Bharathiyar university Coimbatore.*


