Chapter –4
Review of Microfinance

A search for knowledge cannot yield something meaningful if its relation with the existing knowledge has not been examined. A research study is never conducted in a vacuum. So attempt should be made as far as possible, to find out to what has already been done, what is still to be done and in what direction the proposed study is going to search for the new. First of all, a gap should be marked and then an attempt should be made to bridge the gap on the basis of the new facts. If this exercise is not done at the initial stage, the final outcome may result only in duplication of work already done, thus the findings may signify nothing. A review of literature gives both a thematically as well as methodological direction.

Review of literature is broad, comprehensive, in depth, systematic and critical (review) of scholarly publications, unpublished scholarly print materials, audio-visual materials and personal communications, such a review of literature is key step in management research process. It refers to an extensive, exhaustive and systematic examination of publications relevant to the research project.

Every research study is built on past knowledge and is an outcome of constant human endeavour. No research study can progress in isolation of other studies done in similar field. Review of related literature addresses the important need to inform the researcher as to the main findings, trends, areas of the debate and controversies neglected areas and suggestions for additional research. It can help in organizing thoughts, giving shape to ideas and gaining new insights. It is not enough to test one’s own ideas, researcher is thus given a chance to access his or her ideas in the context of others and replicate external or modify them in terms of establishing thinking. Considering this fact, in this study, researcher has also tried to take some review of articles, published in various journals, magazines, thesis and published books etc.

In the subsequent paragraphs an attempt is made to review the literature pertaining to impact of microfinance schemes in economic development of Self Help Groups.
4.1- **Review of Literatures published in various Journals, Magazines, Thesis and books etc.**

1) An article, titled “Socio-Economic impact of microfinance on rural development of Pondicherry” by M. Meganathan and M Arumugam, published in Pinnacle Research Journal (2012)¹[^Ref. No.6, P/160]. In this article authors has explained that the Self Help Group is a programme which is able to reach the vulnerable poor at affordable cost and can help the poor become self-employed. It also depicts that rural women after joining group access or enjoy all kinds of social amenities like medical facilities, water supply services, schools for children, and there is a rise in their self-confidence level, communication skills, decision making skill and transport facilities. In researcher’s opinion it’s talked about after join the Self Help Group help in developing social status and self-confidence among the poor rural women.

2) An article titled, “Microfinance, Self-help Groups and Empowerment in Maharashtra” published in ASARC Working Paper (2007) by R. Gaiha & M. A. Nandhi²[^Ref. No.7, P/160] in this article author has stated that, the benefits of microfinance through self-help groups, based on a specially designed survey in selected villages in Pune district. While the benefits in terms of higher income, consumption, and savings matter for the poor, the focus here is broader, as an attempt is made also to assess some key dimensions of women’s empowerment- defined broadly as expansion of freedom of choice and action to shape their own lives. While the targeting of microfinance through SHGs was unsatisfactory in terms of an income criterion, it was better in terms of other indicators of deprivation such as low caste, landlessness and illiteracy. What is, however, noteworthy is that the loans were used largely for health and education of children and for production-related expenses- especially by the disadvantaged. Using different methods and data sources, various dimensions of empowerment were confirmed. Some of the mechanisms involved in it were identified and assessed. Not only do SHGs benefit from the presence of networks, the former also contribute to trust, reciprocity and associational capital (e.g. through strengthening of local institutions). Domestic violence was reduced. However, greater responsibilities for women also involved longer hours of work. In
Researcher’s opinion it’s talked about after microfinance to the Self Help Group, empowerment of the poor rural women has been increased.

3) An article, titled, “Impact of Self Help Groups on empowerment of women: A study of Dharmapuri district, Tamil Nadu” by Lakshmi R and Vadivalagamn G³ published in the Journal of Management Science(ISSN 2250-1819), Vol.1.Issue 2, page-43-54,2011[J. Ref. No.8, P/160]. In this article author has stated that the main reason for joining the SHG is not merely to get credit .It is an empowerment process, after joining the SHG the women are economically and socially empowered. This empowerment cannot be transferred or delivered .It must be self-generated such that it enables those who are empowered to take control over their lives. As cited by Karl, Empowerment is a process of awareness and capacity building leading to greater participation, to greater discussion making power and control, and to transformative action. In Researcher’s opinion it’s talked about after joining, the Self Help Group, empowerment of rural women has been increased.

4) An article, tilted, “Micro finance and women empowerment: Does Self-help group empower women” by Das S⁴, published in IJMBS, Vol 2 Issue 2,Page-71-79, 2012[J. Ref. No.9, P/161]. In this article the author stated that using empowerment policy, developers should address the gender issues as the role of women is important for policies aimed at supporting the women’s movement. Women are very much interested in education and improving their personal skill and competencies and this offers scope to policy developers to devise new education programs to help women improve the level of off form, business, technical and economical skills they need. In Researcher’s opinion it’s talked about after joining the Self Help Group, empowerment of rural women has been increased.

5) An article titled, “Socio Economic impact through Self-help Groups,” by Amutha D, published in Journal of Economics and Sustainable Development, Vol.2,No. 6,2011[J. Ref. No.10, P/161]. In this article author has stated that, in some areas they are functioning effectively wherein in other areas they face problems .Since women do achieve economic empowerment, this policy measures can contribute a lot to the Nation. In Researcher’s opinion it’s talked about after joining
the Self Help Group, empowerment of rural women has increased in some area but in some areas they face problems.

6) K.G. Karmakar (1999) in his study "Rural credit and self-help Groups: Microfinance needs and concepts in India", [B. Ref. No.1, P/160], examines the existing credit delivery system in India with special reference to the credit needs of the rural poor. He studies the importance of the micro-credit needs for tribal women in rural areas and the micro-enterprises in the non-farm sector in Orissa. The study focuses on the availability, credit requirements and the problem faced by the tribal people in availing of it. It is felt that the setting up of micro-enterprises particularly in the non-farm sector would go a long way in reducing poverty in rural areas. According to him, the micro-credit approach through self-help group would be the only best mechanism to deliver credit to the rural poor. In Researcher’s opinion it talks about the Self Help Group availing microfinance would go a long way in reducing poverty in rural areas.

7) Puhazhendhi (2000)[B. Ref. No.3, P/160] in his study reviews the progress of the SHG-bank linkage program in Tamil Nadu and assesses the socio-economic impact of the program on the group members. The study was conducted by the NABARD in Tamil Nadu and covered 70 SHGs promoted by four major Nosing. Researcher’s opinion it talks about impact on socio economic conditions after microfinancing the to SHG in Tamil Nadu.

8) Puhazhendhi and Satyasai (2000)[B. Ref. No.4, P/160] assessed the living conditions of SHG members after they were linked to banks. The study covered 560 members household of 223 SHGs from 11 states. These states spanned the central, southern, northern, western and eastern region of the country. The findings showed that the social impact of the post-SHG period was such that there was an increase in self-worth, in communication, an increased awareness of social evils. This was tested by asking questions about the abuse of women in films and a small decrease in family violence. In Researcher opinion people talk about the improved living conditions after joining the SHG & availing of benefits of microfinance.
9) N.P.Y. Raman (2000) in his work "self-help groups the Kerala experiments" shares his research experience of the Primary Agricultural co-operative society of Kerala with self-help groups. His study shows that though both the groups avail themselves of the loan for the same purpose, the recovery of loans from the self-help groups is 95 to 100 form primary agricultural co-operative society. The reason cited was that the members of the self-help groups are to bear only 4.5 percent rate of interest against the usual 9.5 percent interest after deducting the State Government incentive of 5 percent. The low rate of interest and the Government incentives make a large difference between the income and profitability of the members covered under Self-Help Groups while others are not SHG covered by the self-help groups. The sample study shows that only 10 percent of the members of the primary agricultural co-operative society have been brought under the concept of self-help groups. Even among these, only 60-70 percent are actually benefited by the scheme and the rest are cultivators of crops other than food grains, fruits and vegetables. He proved in his study that the self-help group concept has not only apparently reduced the poverty but also yielded encouraging results. The self-help groups’ concept has created a positive impact on the functional efficiency of the primary Agricultural Co-operative Society as well. In Researcher’s opinion the low rate of interest and the Government incentives make a large difference between the income and profitability of the members covered under self-help groups (SHG).

10) H.C. Sharma (2000) in his study "Forest Policy-Role of SHGs", studied the role of self help groups in the development of the tribal people. According to him, self-help groups have a flexibility of approach and working, but they have failed to develop a work culture, which is acknowledged by the tribal themselves. He is of the opinion that better coordination is required from the voluntary agencies and the government departments for its better performance. In Researcher’s opinion better coordination is required from the voluntary agencies and the government departments for SHG’s better performance.

11) K.R. LakshmiKandon6 (2000), in his study titled "Self-help groups in the life of Rural poor - A Philibhit case study", stated that most of the membership of the self-help groups consisted of small landholders and agricultural laboures. Out of the 74 self-help-groups studied, 57 were women’s groups and 17
were men’s groups. The strength varied from ten to twenty and weighed heavily towards the larger figure. The SRESOC organized self-help groups in that district. Among all the self-help groups, only 11 were sanctioned loans successfully from the lead bank of the district, (Bank of Baroda), and the amount varied from Rs. 20,000/- to Rs. 30,000/-. He is of the opinion that facilities for entrepreneurial development are available within the group only at the micro level as compared to the large basic functions such as market study, providing resources, general production management and marketing management. The literacy rate of the member of some self-help groups has improved from 5 percent to 90 percent, he stated.

12) N. Manimekalai and G. Rajeswari7 (2000) in their study "Empower of women through self-help groups" [J. Ref. No.12, P/161], analysed the women self-help group formed by the non-Governmental organizations in the rural area of Tiruchirappalli District for the purpose of promoting rural women through self-employment. The Non-Government Organization namely, Society for Education and Village Action and Empowerment (SEVAE) has been working in 362 villages and helping a total of one lakh women beneficiaries belonging to different avenues of self-employment like, petty businesses, processing, production and service units. In Researcher opinion it’s talked about empowerment of women though SHG.

13) S. Sundari and N. Geetha8 (2000) in their study "Poverty credit and micro-enterprises", [J. Ref. No.13 P/161] examine the gender disparity in access to institutional credit. In their opinion, the disparity is gradually narrowing down over a period of time. Hence empowerment of poor rural women will be possible only if they are trained and imparted Skills for a certain job. According to them, skill training includes enterprise development, increased access to credit, new approach to markets and social economic and political strategies and the like. In Researcher opinion empowerment of poor rural women will be possible only if they are trained and imparted Skills for a certain job.

14) Laxmi Kulshrestha (2000), [J. Ref. No.14, P/161] in his paper “Microfinance: The New Development Paradigm for poor rural women”, points out that the lack of capital is a serious constraint to the development of rural women. Often, the barriers
like legal provisions, loan policies and procedures make credit inaccessible to women. Studies have shown that credit can help women to take up farm-related activities and the income generated from credit given to women can be expected to be spent for wellbeing of the household. This novel innovative approach of microfinance emphasizes financial intermediation with self-sustainability of institutions.

15) A.P. Sebastian Titus (2000) in his study, "Promotion of women empowerment through self-help groups" [J. Ref. No.15, P/161], examines the promotion of women entrepreneurs through self-help groups. According to him, the women entrepreneurs who have started small enterprises expand them into large scale units. Self-help groups have made readymade garments and exported them. A women self-help group in Dindigul district run a unit providing agro services with a total turnover of Rs. 12 lakhs or more per annum. But most of the other self-help groups are not able to reach up to the expectations. Some of the reasons cited were (i) non-availability of funds for investment, (ii) dearth of technical and managerial skills, (iii) inability to manage the labour force, (iv) dual role burden, lack of professionalism, (v) gender bias and the like. In Researcher’s opinion about Promotion of women empowerment through self-help groups.

16) J. Venkatesh and K. Kala (2000) in their work “Self-help groups: A Tool to boost up women Empowerment “Identify SHG as a potential pathway to alleviating poverty” [J. Ref. No.16, P/161]. The number of poor women and men who are enrolling in SHGs all over rural India has been increasing remarkably. They are not only active in thrift and credit management but are also taking up their activities, such as natural resource management and development, literacy, knowledge management, nutritional security etc. SHGs lay the foundation for self-reliance through building even of institutions, which have the capacity to generate employment opportunities for the rural poorest and lead to job led economic growth. In Researcher’s opinion it talks about the self-help group model that has been identified as a potential pathway to alleviating poverty.

17) Dadhich C.L. (2001) [J. Ref. No.17, P/162] in his study on micro finance: A panacea for poverty alleviation analysed the performance of SHGs formed by Oriental Bank of micro lending and underlined that the project has established beyond
an iota of doubt, that properly designed and effectively implemented microfinance can be a means not only of alleviating poverty and empowering women but also is a viable economic and financial proposition. However, there is scope for further refinement. The positive and liberal approach adopted by the central banking authority of the country will surely facilitate the further improvement and development of microfinance system in India.

18) T.R. Gurumurthy13 (2002), in his work "SHGs Economic Empowerment through self-reliance"[J. Ref. No.18, P/162], studied the micro credit funding agencies and the amount sanctioned by them out of the 27000 self-help groups in Tamil Nadu, 54000 are linked with banks and the banks advance credit to them to the extent of Rs. 9 crores. In this view, self-help groups have the power to start a socio economic revolution in the rural areas of this country. In opinion, members of self-help groups must be prepared to undertake entrepreneurial activities at a smaller level with minimum capital requirements. In Researcher’s opinion it talks about SHGs Economic Empowerment through micro credit funding.

19) K. Ritu, R.K. Kushwaha and A.K. Srivastava (2003), in the study "Social-Economic Impact through self-help group’s"[J. Ref. No.19, P/162], examined the functioning of self-help groups in Kanpur Dehat District, Twenty five women from self-help Groups were selected as sample for the study. Ten women members from each self-help groups and ten non-members from the same village were selected as respondents, to study the impact of the self-help groups on their socio-economic status. The results show that there is positive relationship between the self-help groups and the socio-economic status of women.

20) Sabyasachi Das (2003) in his paper concluded that the micro - credit - SHG model has got tremendous attentions in recent years [J. Ref. No.20, P/162]. Micro credit is an alternative source of credit for the poor who earlier were considered as non-bankable. The system not only provides credit,(most important input for development) to the poorer section of the society, but also aim for their capacity building. Mr. Sabyasachi Das has also observed that group lending has distinct advantage in the form of excellent recovery rate and improvement in income level. The phenomenal growth of SHGs indicates that the weaker sections of the society are
also capable to sharpen their micro-entrepreneurial skills with the help of their own savings and additional bank credit as needed. He further points out that micro-credit-SHG integrations could be way out for overall rural development via-a-vis poverty alleviation.

21) A. Venkatachalan and A. Jeya Prakash (2004) in their work, "Self-help groups in Dindigul District"[J. Ref. No.21, P/162] found that the total savings of the SHGs members in Dindigul District amounted to Rs. 622.99 lakhs. The Sangha Loan Sanctioned to its members is in tune of 4.3 times of savings. In words, the total amount of Sangha loan sanctioned is Rs. 27.20 lakhs. The SHGs in Dindigul District have made a silent revolution for the economic empowerment of poor rural women.

22) Archana Sinha (2004) in her article, "Micro finance for Women’s' Empowerment: A perspective"[J. Ref. No.22, P/162], puts forward a debate on microcredit for discerning policy makers researchers and development practitioners. She says that understanding the viability of microfinance requires a comprehensive analysis in the right perspective. Micro finance can contribute in solving the problem of inadequate housing and urban services as an integral part of poverty alleviation programmes. The challenge lies in finding the level of flexibility in the credit instrument that could make it match the multiple credit requirements of the low income borrowers without imposing unbearably high cost of monitoring its end use upon the lenders. According to her a promising solution is to provide multiple purpose loans or composite credit for income generation, housing improvement and consumption support.

23) Das and Rimjhim Mousumi (2004) [J. Ref. No.23, P/162] in his article concluded that micro finance has now become a medium financial weapon for the poor to fight against poverty. Many big and small institutions are taking part in this revolution of microfinance vigorously. Still it has a long way to become successful. Many programmes from ‘Garrebi Hatao’ to IRDP were started by the government enthusiastically but they were not able to achieve their objectives. The reason behind this is poor follow up, lack of management and inadequate participation from the government as well as people. No programme can ever get its desired result unless
and until there is co-ordination and cooperation between the government and the beneficiaries.

24) Mrs. M. Selvachandra19 (2004) [J. Ref. No.24, P/162]in his paper – ‘Microfinance through self-help’ concludes that Banking through SHGs and the existing decentralized formal banking network includes several organizations in the formal and non-formal sectors, as banking partners of allow for large scale outreach of microfinance services to the poor in India. These banking services are made available at low cost, also made easily accessible and flexible enough to meet the needs of poor people. The proper promotion of the scheme will be help to drive away poverty from our country. Thus the SHG bank linkage is a boon to the poor and, for bank, a via media to reach the needy in large numbers in the process of economic development. In Researcher’s opinion it’s a talk about the SHG bank linkage as boon to the poor and for bank a via media to reach the needy in large numbers in the processes of economic development.

25) M. Sheik Mohamed20 (2004) in his article –“Self Help group for the success of woman entrepreneurs” stated that, as UNO Secretary General, Kofi Annan, has stated "[J. Ref. No.25, P/162]Gender equality is more than a goal in itself. It is a precondition for meeting the challenge of reducing poverty, promoting sustainable development and building good governance." This recognition is currently missing in India. 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. In Researcher’s opinion it talks about Self Help Group for the success of woman entrepreneurs.

26) K. Manoharan Nair and Girija21 (2005) in their article, "Microfinance - The New Development paradigm for poverty eradication and women empowerment"[J. Ref. No.26, P/162], state that experience has shown that many of poverty alleviation programmes organized through credit channels have not achieved the required success. Hence to bridge the gap between the demand & supply of funds in the lower rungs of rural economy, the microfinance schemes of NABARD have made a smooth foray into the role played by microfinance in eradicating poverty and empowering women to manage the enterprises.
27) C.S. Reddy22 (2005) in his work, "self-help groups: A key stone of microfinance in India" [J. Ref. No.27, P/163], infers that microfinance has evolved over the past quarter century across India into various operating forms and to varying degree of success. One such form of micro finance has been the development of the self-help group’s movement based on the concept of "Self Help"; small groups of women have formed into groups and operate a ‘saving first’ business model whereby the member’s savings are used to fund loans. The results from these self-help groups (SHGs) are promising and have become a focus of inters examination as it is proving to be an effective method of poverty reduction. In Researcher’s opinion it talks about SHG as a key stone of microfinance in India which provide an effective method of poverty reduction.

28) M. Soundarapandian23 (2006) [J. Ref. No.28, P/163]in his paper, analysed growth of SHGs and the role of microfinance in developing the rural entrepreneurship and he further suggested that though there is a positive growth rate of SHGs in states but in terms of SHGs, there is a wide variation among states. Linkages of banks with SHGs are found impossible for these variations. In Researcher’s opinion it talks about role of microfinance for SHG in developing the rural entrepreneurship.

29) Kalavati Kamble and Gangadhar B. Sonar (2006) in their work, "The Role of SHGs in Women Empowerment study on selected SHGs promoted by voluntary organization in Gulbarga District of Karnataka" [J. Ref. No.29, P163]studies the role of socio-economic empowerment of women. The socio-economic conditions of the SHG women are improving to a significant level irrespective of different backgrounds. Earlier they used to be home and not exposed to the society and were part of the system. Now they can come out and approach the government machinery, conduct meeting, to signature & more importantly have a good amount of money in their hand. SHGs are mostly focused from financial aspects rather social one. This trend is more in the SHGs promoted under government programme. The fact that self-help groups, are increasingly attracting younger generation, this generation not only needs social and economic empowerment but also assertive capacity, freedom from atrocities and a new self-image to claim themselves as fully human.
30) Renu Verma (2008) in her article concludes that microfinance is expected to play a significant role in poverty alleviation and rural development [J. Ref. No.30, P/163]. Microfinance has, in the recent past become one of the more premising ways to use core development funds to achieve the objectives of poverty alleviation. Further he stated that certain microfinance programs have gained prominence in the development field and beyond. The ultimate aim is to attain social and economic empowerment. These microfinance institutions may very well have had a major impact on improving the standard of living of millions of poor people as well as on promoting economic development. Thus microfinance has become one of the most effective interventions for economic empowerment of the poor.

31) M.A. Lokhande (2008) in his work "Socio-economic impact of micro financing through self-help groups in Maharashtra Region" [J. Ref. No.31, P/163], observed that microfinance for micro enterprises can be one of the most effective poverty reducing instrument. The need of the hour is to promote more and more microfinance institutions and strengthen them so as to provide more service to the needy poor people. These small business activities can be started mostly based on local resources. In order to give impetus to micro entrepreneurial activities by poor people in rural as well urban areas, microfinance institutions should be promoted to provide adequate, regular microcredit to the needy entrepreneurs. Microfinance programme is the most promising strategic weapon for attacking poverty by way of providing development funds to so for neglected target groups. If poor people are given opportunities to undertake entrepreneurial activities supported by proper access to credit. It will certainly enable them to come out of poverty trap. Thus development of microfinance strengthens not only rural sector but also the financial system of the country as a whole.

32) I.P. Tripathi and R.P. Gupta (2008) in their work say that, "Microfinance - The Emerging Horizons."[J. Ref. No.32, P/163]. The most important form of microfinance is credit, targeted to poor people who are also talented entrepreneurs. If these people gain access to credit, they will expand their business, stimulate local economic growth and hire their less entrepreneurial labours, resulting in fast economic development. While this approach has had significant results in the cities of the developing world. If has failed to reach the majority of poor people, who are rural subsistence farmers,
with little if any, non-farm income. As urban-rural income inequalities continue to rise in the developing world, this result is increasingly viewed with dissatisfaction. A new microfinance paradigm is taking shape, with a goal of developing full ‘service for profit’ banks for all poor people. These banks will be able to support their client’s efforts to control family risk as well as capitalize on business opportunities. They will offer savings, insurance, remittance services and personal & business loans, to help clients grow their assets while increasing their incomes.

33) J.B. More (2008) in his article –“SHG - The way of Eradication of poverty” interpret that India is a country of villages. [J. Ref. No.33, P/163] Hence the beginning of the development of India should be started from the rural indic. Though India is developing towards mighty power. 25 percent of people of the country are below poverty line. In the same way, the women in rural area are efficient and they are busy in household work only. Some of the women are doing full work, looking after the cattle and cleaning etc. The rural women have the limitations due to the different reasons such as less education, lack of technical and skill based knowledge and man dominated culture that's why they could not participate in the development of the rural area. Swarnjayanti Gram Swarozgar Yojana (SGSY) was started on 15th April 1999 by the Govt. of India, in which self-help groups were established to participate the development of rural area. In this programmes, persons of the same thoughts at least 10 and maximum 20 come together and form the self-help groups, enthusiastically to work for self-employment and eradicate their poverty, self-help group movement was started in Maharashtra to increase income of families which are below the poverty line, to solve the financial problem of the women in rural area to develop rural area by taking the functional support of women.

34) K.P. Bairyagi and H.L. Ghorpade (2008) in their paper "Self-help group - A Microfinance: Emerging horizon", [J. Ref. No.34, P/163]stated that the microfinance is an important source of income for poor for their socio-economic development. SHG is one of the important agencies providing microfinance to the poorest in the society. The objectives of SHG are not only to provide finance to poor but also to promote the habit of saving to build mutual confidence among members. To fulfill financial needs of the poor, to improve communication among the people living at same places or village and organize work to solve their problem. Formation of SHG
will encourage the rural and urban poor to uplift their socio-economic status. There should be a positive role of NGO and strict regulation of administration of SHG. Today more than 30 lakhs SHG’s are working in India. The total membership of SHG’s is all about 450 lakhs (men and women). The SHG’s have provided Rs. 1500 crores as an internal loans to their members NABARD has refinanced to Bank about Rs. 4000 crores against SHG loan till 2005. Thus systematic management of SHG will help to remove poverty of rural population.

35) Gurmeet Singh30 (2009) in his paper, "Microfinance - An Innovative Rural credit system" [J. Ref. No.35, P/163] studied that in March 2001, 71% of the linked SHG were from southern India consisting of Andhra Pradesh, Karnataka, Kerla & Tamil Nadu. The share of southern region has come down over the years but is still as much as 44%. Many states such as Uttar Pradesh and Bihar with high incidence of poverty shown poor performance under programme. So it is finally clear that the role of micro finance institutions is very important in rural development & poverty eradication. It is in this context that one needs to appreciate the role played by microfinance institutions, Government, NGOs and social organizations.

36) Divy, Ninad Koul and GireshMoh (2009) in their paper, "Women's self-help groups and microfinance", [J. Ref. No.36, P/164] studied that the SHG helped the rural womenfolk in improving their socio-economic status as well as state of their awareness and self-dependency. It was more crucial for women of tribal communities for sustenance of their family. The biggest concern was that the groups are more of credit management (CMG) nature and the meetings were mostly limited to collection of monthly saving and disbursement of loans. It is essentials to guide the other family members of the women members about importance of SHG and microfinance so that they support the group. Over dependency on office bearers or NGO worker needs to be curbed and every member should be made aware of responsibilities and duties within the group. Absence in meetings and delay in submission of monthly savings and repayment of loan can be best tackled by building suitable peer and group pressure when bank loan is provided at right time. Other activities done at right time and ensuring that the women members become more self-dependent leads to sustainability of the groups and can ensure the alleviation of rural poverty in the longer run.
37) M.A. Lokhande (2009) in his paper, "Microfinance Initiatives in India", [J. Ref. No.37, P/164] observes microfinance programme has a significant role to play in Indian economy for boosting micro entrepreneurial activities for creating production assets along with employment generation. So, in order to cover all the poor households, particularly BPL households there is need for providing full support to the government financial institutions and NGOs SHGs programme. So for the SHGs bank linkage programme has been much successful in achieving quantitative targets. The need of the hour is to match the programme more qualitatively that is enriching to lives of poorest of the poor in context of globalized socio-economic environment. Political interference in the functioning of self-help group should be avoided. Around 90% of the aggregate groups are women self-help groups. These groups have to face problems such as indifferent attitude of bank officers, exploitation, promoting NGOs, lack of marketing facilities for product/services. This bottleneck should be rooted out on priority basis. Women groups should be given responsibility of running Anganwadi, fair price shops so that they become permanent entities. The banks and the respective NGO should nourish and develop the SHGs by providing financial assistance; organizing skill based training programmes in rural as well as semi urban area.

38) Rao, Jitendra Ahir (2009) in his article - "Rural women empowerment through microfinance", [J. Ref. No.38, P/164] concluded that small loans can make good business sense among the women. It has been noticed that women in particular stand to gain a lot from microfinance because it gives them an independent means of generating wealth and becoming self-reliant in a society that does not offer them much scope for entrepreneurship.

39) Rajesh Kumar Shastri (2009) in his paper microfinance and poverty reduction in India (A comparative study with Asian countries) [J. Ref. No.39, P/164] found that creating self-employment opportunities is one way of attacking poverty and solving the problems of unemployment. There are over 24 crore people below the poverty line in our country. The scheme of microfinance has been found as an effective instrument for lifting the poor above the level of poverty by providing them increased self-employment opportunities and making them credit worthy. A basic effort of last
decade, the microfinance objectives in India has reached at the top point similar to Bangladesh. With some effort, substantial progress can be made in taking MFIs to the higher orbit of significance and sustainability. There is need of designing financial sustainable models and increase outreach and scale up operations for poor in India. Rural people are still unaware of banking policies and credit system. So NGOs should communicate to them and share their view with villagers. Banks should convert and build up professional system into social banking system for the poor. Government of India and state governments should also provide support for capacity building initiatives and ensure transparency and enhance credibility through disclosures.

40) C, Paramasivan (2009) in his work - Performance of SHGs in Namakkal District, Tamil Nadu suggests[J. Ref. No.40, P/164]that financial inclusion and social exclusive schemes can be implemented and maintained only with the help of active performing SHGs. These emerging sectors are directly related with the society particularly the women. Above all the government may pass a separate act to regulate and restructure the SHGs in future. This study concludes that the performance of SHG in Namakkal District is not up to the expectation level of the researchers.

41) E. Palani and V.M. Selvaraj (2009) in their studies - "Impact of micro credit scheme on women's empowerment", [W. Ref. No.82, P/169] concludes that micro credit has provided the rural poor access to finance without the burden of collateral guarantee through SHGs. It has empowered the women folk economically and socially. Though the credit provided is micro in nature, it has produced macro changes in the lives of women who received it. In Researcher’s opinion it talks about women’s empowerment though microfinance, in SHG.

42) Tonmaya Dev, Arpita Sharma & Other (2009) in their work, "Performance Assessment of self-help groups in Madhubani District, Bihar", [J. Ref. No.41, P/164] (None of the SHG members of staff of NGO sakhi) report that they were aware of performance assessment checklist of NABARD. Though, as mentioned by NABARD, this checklist is used for granting loans, it is also adopted to assess performance of SHGs. Moreover, all the SHGs had reported that they require loans and till now they have not availed of loans from bank. In this context, the suggestions provided in the above discussion suggested for improvement of performance of SHGs as per checklist
of NABARD. In Researcher opinion it’s talked about. In Researcher opinion it’s observed that they require loans and till now they have not availed of loans from bank. In this context, the recommendations provided in the above discussion suggest for improvement of performance of SHGs as per checklist of NABARD.

43) A. Saraswathy, S. Porkodi and M. Bhuvanswari (2009) in their work – “Microfinance in Krianagiri District: A tool for poverty alleviation” [W. Ref. No.83, P/170] have stated that microfinance has been recognized as a powerful instrument to address poverty. Apart from the scorching pace of growth, the rapid spread of microfinance (MF) has created competition, to rural moneylenders. In view of the grand success of the programmes now, SHGs are at centre stage in almost every poverty alleviation programme and development programme aimed at poor. SHGs have become the development ambassadors of villages and they symbolize the growing face of rural India. The microfinance sector, like the information technology (IT) sector, has grown rapidly and in many ways, creatively. The experience of many MFI so far strongly suggests that it is possible for these institutions to reach the goal of serving people in extreme poverty without having to sacrifice their profitability. MF is intended for the enlistment of poor farmers, shanty dwellers, jobless youths, women and deprived strata of society.

44) IIPO Economic Intelligence Unit (2010) in its "self-help groups (SHG): means of women empowerment",[A. Ref. No.77, P/169] conclude that growth of SHGs is essential for the members as they ensure better standards of living thereby for the individual; family and social empowerment. Hence the social empowerment by the SHG members in moderate family empowerment achieved by the members in the family. Empowering women is pre-requisite for creating a good nation, were woman is empowered, society with stability is assured. Empowering of women is essential as their thoughts and their value system lead the development of a good family and good society and ultimately a good nation. In spite of various constitutional safeguards and legislative measures as well as numbers of programmes and policies initiated by the government for the betterment of women, no significant development took place in the socio economic empowerment of women.
Reeta Rautela, Gaurao Pant and Others (2011) in their study - "Microfinance - A New mantra for rural development", [W. Ref. No.84, P/170] concluded that microfinance is a powerful total for poverty alleviation and development. In order to declare microfinance success in India, not only do tens of millions of more people need to be reached but those services must have a transformational impact on their lives and those of their family members. For that considerable work and continuous efforts are needed to diversify the service of funding for microfinance to attract more foreign investments for well-established microfinance institutions (MFIs), to use all the possible channels to serve more rural and urban poor, to train its staff as more productive and professional to make it more poverty-focused and profitable. Microfinance services can not only remove their own poverty, but can also serve as a complementary tool within a broader strategy to reduce poverty. In reality, poor people need access to many more financial services than just micro-credit, including a range of micro savings and insurance products these services can protect poor people from the impact of unforeseen crises and emergencies in their household or micro-business, from falling yet further into debt and enable poor household to plan and manage their limited resource more effectively to meet their basic needs. The powerful push behind this huge and increasing support for microfinance indicated that national economic and social impacts are significant and it needs to be examined more closely.

V.J.R. Emerlson Moses (2011) [W. Ref. No.85, P/170] in his research paper of economics reported that Jawaharlal Nehru saying "you can tell the condition of the nation by looking at the status of women". Empowerment of women has emerged as an important issues in our country. In India, The further reported that nearly half of the population consists of women. In India their work participation rate is less than half that of men. The role of women in the development of nation is very important nowadays. SHG helps the women in uplifting their living conditions and also encompass the social, economic, educational level to improve their empowerment level. The components of empowerment of women are (i) access to economic resources, (ii) participation in economic decision making, (iii) opportunities for self-development, (iv) participation in socio-political decision making, (v) scope for skill development and (vi) impact on general welfare of the family and community.
47) Rebecca Schaaf (2009) “Financial efficiency or relational harmony? Microfinance through community groups in northeast Thailand” [J. Ref. No.42, P/164] Progress in Development Studies, April 2010; vol. 10, 2: pp. 115-129 stated that Groups and microfinance facilities are intended to produce a variety of economic, social and political outcomes. However, the debate in the development literature about their effectiveness heightens the importance of exploring whether multidimensional outcomes are actually achieved. Drawing on findings from empirical research in Northeast Thailand, where promotion of groups and microfinance schemes is strong, and this article highlights the need to understand the context and existing relationships within which community groups and microfinance services are situated, in order to identify important characteristics and processes that limit the outcomes of the groups. In particular, the research illustrates how the groups’ operation has resulted in a trade-off in material and relational wellbeing outcomes, as financial efficiency is valued only to the extent that relational harmony can be assured. In Researcher opinion it’s talked about socio-economic development of members of SHG in Thailand.

48) Tonya Knight, Farhad Hossain, and Christopher J. Rees (2009), “Microfinance and the commercial banking system perspectives from Barbados” [J. Ref. No.43 P/164] Progress in Development Studies, April 2009; vol. 9, 2: pp. 115-125. They stated that by adopting microfinance as a core component in their development aid programmes, non-governemental organizations (NGOs) and other development groups aim to reduce poverty and also, raise the status of women and disadvantaged communities. Nevertheless, despite its enormous success in tackling poverty, the applicability of microfinance in formal banks remains a major challenge for developing countries, where most of the world's poor reside without access to banking facilities. The authors of this article assume that central banks and the banking sector, in general, can promote good and inclusive financial governance in developing countries by adopting microfinance practice and by integrating pro-poor policies into their banking systems. Focusing on the case of Barbados, the article examines the importance of microfinance for commercial banks. It is argued that the integration of microcredit into the banking and credit schemes of commercial banks and microfinance institutions is a key to promoting good governance.
49) Indunil De Silva (2012), “Evaluating the Impact of Microfinance on Savings and Income in Sri Lanka: Quasi-experimental Approach Using Propensity Score Matching” Margin: The Journal of Applied Economic Research, February 2012; vol. 6, 1: pp. 47-74. [J. Ref. No. 44, P/164] the study applied recent advances in propensity score matching methods to assess the impact of microfinance on household income and savings. Results suggest that overall programme for participants’ benefit incidence is indeed pro-poor. With respect to both household per capita income and savings, programme participation definitely has a positive impact for all low-income households. Consequently, this article’s findings have several important policy implications. The large positive impact of participating in microfinance programmes on household income and savings suggests that microfinance programmes may improve household status in terms of wealth. The regressive effect on household per capita income suggests that poorer households do not feel as much the effects of the intervention compared to richer households. The policy implication of this regressive effect might be that for the poorest programme participants, the availability of programme loans and savings schemes may be not sufficient to become highly productive in income-generating activities. The finding of participation in microfinance programmes not being highly effective in terms of savings for richer households highlights the importance of a robust and accurate targeting mechanism for the microfinance programme in Sri Lanka. Against the backdrop of these findings, policy planners and microfinance practitioners could re-examine the targeting approach of microfinance in Sri Lanka. Finally, the principal message that emerges from the study is: there are quantitatively non-negligible, average gains from microfinance on household savings and income, especially for the poor.

50) Dong Hyeon Jung (2008) “Microfinance in India: SHG-Bank Linkage Program”, published in International Area Studies Review September 2008 Vol. 11 no. 2 P-127-152. [J. Ref. No. 45, P/165] He stated that Microfinance, a provision of small loans (mostly without collateral support) to poor people and accepting tiny savings deposits, has existed in different forms for a long period of time across the world. Modern microfinance was born in Bangladesh in the 1970s, when Professor Muhammad Yunus, an economics professor at University of Chittagong, Bangladesh, and the Nobel Peace Prize Laureate in 2006, began an experimental research project providing credit to the rural poor by establishing Grameen Bank. Today, Grameen
Bank is replicated in five continents and microfinance has shaken up the world of international development. Many banks or banking institutions are now specializing comprehensively in microfinance. In the UN designated the year 2005, as the “International Year of Micro-credit.” The critical device that has brought the success in microfinance is group-lending: this has achieved very high rate of repayment rates, thus, making the lending sustainable. It also transfers the responsibility from bank staffs to borrowers, making lenders feel free from taking high risks. The most common group-lending model in India is “SHG (self-help group)-bank linkages” and it is primarily providing small loans from banks to groups of SHGs. Micro-saving is also its important target. Beside borrowing and saving, SHGs in India play additional roles in spheres of local politics, social harmony, social justice and its contribution to community. While the SHG model and bank-linkage program continue to be popular, many commercial and cooperative banks are now entering into the microfinance market, and there is an India-wide trend towards the formal registration of MFIs (Microfinance institution) as For-profit Non-bank Finance Companies (NBFCs). It also diversifies its activities into the micro-insurances and remittances. The growth of India's microfinance over the past 16 years is remarkable - and it has been accelerated for the last three years, being improved both qualitatively and quantitatively.

51) Benjamin F. Lyngdoh and Ambika P. Pati, (2013) “Impact of Microfinance on Women Empowerment in the Matrilineal Tribal Society of India: An Analysis Using Propensity Score Matching and Difference-in-Difference” [J. Ref. No.46, P/165]International Journal of Rural Management, April 2013; vol. 9, 1: pp. 45-69. This study is an evaluation of the impact of microfinance on women empowerment conducted upon clients of the matrilineal tribal society of India that exists in its north east region. It covers a period of five years, where in, data is compiled collected from 300 microfinance women clients (experimental group [EG]) and 150 non-microfinance women clients (control group [CG]). For impact evaluation, Propensity Score Matching (PSM) and Difference-in-Difference (DinD) techniques are applied. PSM ensures a matched sample by balancing the EG and CG on covariates and DinD, the impact of microfinance through economic and socio-political outcomes. The study highlights that microfinance has a positive impact on income, expenditure and savings. It led to an improvement in asset structure, increased access to livestock, micro machines, family wealth and family savings, education, decision-making,
improved mobility, communication skills, voicing of concerns, self-confidence, increased political participation to promote gender equality, etc. In addition, microfinance amount and profile of the clients are important components in influencing impact. Overall, microfinance is a potent tool of women empowerment even in matrilineal tribal settings.

52) Debadutta Kumar Panda (2009), “Assessing the Impact of Participation in Women Self-help Group-based Microfinance: Non-experimental Evidences from Rural Households in India” [J. Ref. No.47, P/165] International Journal of Rural Management, October 2009; vol. 5, 2: pp. 197-215. A quasi-experimental design was constructed under which the target group was compared with a selected control group across a set of household variables like income, assets positions, savings, consumption, employment, literacy and migration. A multistage random sampling was used to select 150 cross-sectional samples from Orissa, Jharkhand and Chhattisgarh states of India. Descriptive statistics, test of significance by z-statistics and probit model under econometrics were used to measure the impact of participation in the self-help group-based microfinance. The distribution of household income and assets was measured by Gini coefficient and Lorenz curve. The ‘household’ was taken as the unit of analysis. The study concluded with the positive impact on the increase in income, assets position, savings and literacy and in the reduction of migration of rural households. Weak evidence of significant impact of the group-based microfinance on the distribution of household income and assets was found. The participation of women in the self-help group was strongly determined by household income, employment, migration, saving and literacy positions. In Researcher’s opinion it talks about positive impact on the increase in income, assets position, savings and literacy and in the reduction of migration of rural households of member of SHG by using the microfinance.

and forms in which trust manifests itself during periods of formation, activity and defunct stages of SHGs in India. Personalised trust forms the centre of the radius of trust in SHGs and it gets extended to generalized and institutionalized trust. Development interventions for communities often aim to build social capital which is an important corollary of trust. Community and group development efforts aimed at building social capital must take into consideration the factors associated with building and generating trust.

54) Michael Lukas Moeller, “History, Concept and Position of Self-Help Groups in Germany” Group Analysis, June 1999; vol. 32, 2: pp. 181-194.[J. Ref. No.49, P/165] Those responsible for medical care only reluctantly concede the true existence of the duality between highly technical medical support and compassionate medical support. The latter does not receive its fair share of attention. In view of the tremendous expansion of technological quick-fix medicine - driven in part by the demands of patients themselves - the situation will not change. This huge deficit of modern medicine led to the growth of self-help groups. The maxim of self-help groups in the United States - 'Doctors know better than we do how a sickness can be treated. We know better than doctors how sick people can be treated as humans' - expresses in a nutshell, the complementary relationship between self-help groups and medical care. The author's twenty-five years of practical experience in furthering the self-help movement and its work are the background for outlining the development of group self-help, and the current threat of resistance to the dynamic potential of self-help groups. Furthermore, it makes it possible to describe a time-tested model for cooperation between self-help groups and their professional support workers that augments the autonomous group meetings primarily with a so-called general meeting. This mobilizes self-development without leading to new dependencies. The future of medicine and presumably also of psychotherapy is no longer imaginable without dynamic self-help groups.

55) J.Murugesan and R. Ganapathi (2010), “Impact of Micro-Finance on Economic Status of Members of the Self-Help Groups” Asia Pacific Business Review, July 2010; vol. 6, 3: pp. 74-87.[J. Ref. No.50, P/165]. In olden days, Indian women were mainly rendering services to the family members, particularly to the husband and children. So, women were not allowed to go out for earning income. In
most areas they were not allowed even to go for higher education. India being a country, with 70% of its population belonging to rural sector, depends on agriculture and allied activities. It faces many problems in generating income by the rural mass. Due to climate, sparse rainfall and some other reasons the farmers do not generate adequate income to meet their family needs and suffer a lot perhaps except during harvest. The villagers strive hard to run their family and to satisfy their children's requirements. Due to this reason, the women began to generate income. At present, women contribute a lot for the development of all sectors of the country. Employment gives economic status to women. Economic status increases social status and thereby empowerment. By keeping this in view all the governments try to improve the status of women in all possible ways. SHGs are considered as the main channel for generating income for the women in all areas particularly in rural and semi-urban areas. The growth of Self-Help Groups (SHGs) is evidence of the fact that women are coming out of their shells, shunning their lower citizen status and are using their potentialities and talents for individual and societal benefits. Earlier, SHGs were formed by the less educated womenfolk, but today even educated women are coming forward to form SHGs because of various obvious benefits. In this context, though the SHGs are improving the socio-economic status of women, a specific study is needed for every region because of its unique economic and cultural environment. Therefore, the present study has been carried out with 240 members of SHGs operating in Coimbatore District. Many interesting findings emerge from the present study. Relationship between many independent variables and the dependent variable are statistically tested and are interpreted so as to bring out useful inferences. One of the main findings is that lack of awareness and inability of the members to carry on the activities by themselves. Many practical suggestions have been given in the study for making this massive rural programme a success.

56) Tanya Jakimow (2007), “The Rationale of Self-help in Development Interventions: A Case Study of a Self-help Group Programme in Tamil Nadu” Journal of South Asian Development, January 2007; vol. 2, 1: pp. 107-124[J. Ref. No.51, P/165]. Self-help is often perceived as a valuable, if not essential, element of development programmes. At the same time, as a concept, it has generally escaped scrutiny. Two types of claims are made about the benefits of self-help programmes. First, it is suggested that self-help empowers its participants more so than other
externally directed or implemented programmes. The second less vocal claim is the compatibility of self-help with cost-reduction strategies: both in terms of material costs and costs to the prevailing social and economic structure. This article explores these two claims through a case study of a self-help group (SHG) programme in Tamil Nadu, India. It argues that although empowering outcomes are stated as the rationale for self-help, these are often neglected in favour of achieving cost-reduction ones. This is an outcome of the concept of self-help being absorbed into the practices and discourses of the dominant development paradigm. Self-help has thus been divorced from its role in enabling self-direction, and has become the rationale for pressuring the marginalised to take responsibility for improving their own condition within a non-negotiable economic and social structure. Positive impact on the increase in income, assets position, savings and literacy and in the reduction of migration of rural households.

57) Tracey L. Moyle, Maureen Dollard, and Saswata Narayan Biswas (2006), “Personal and Economic Empowerment in Rural Indian Women: A Self-help Group Approach” International Journal of Rural Management, October 2006; vol. 2, 2: pp. 245-266[J. Ref. No.52, P/166]. This study examined the empowerment of women by addressing two dimensions: economic empowerment and personal empowerment. One hundred women, aged between 16 and 65 years, participating in self-help groups from two rural Indian villages in North-West India took part in the study. Both quantitative and qualitative data were collected through self-report surveys and interviews, with the analysis yielding contradictory findings. The quantitative data found that working women reported moderate to high levels of collective efficacy, proactive attitude, self-esteem and self-efficacy with no significant reporting of psychological distress. In contrast, examination of the qualitative data revealed positive appraisals of self-worth, purpose and independence and negative appraisals of pressure, challenge and stress. The implications of these findings and the importance of this study are discussed.

well-being of marginalised women in India. The perceived success of self-help group (SHG) programmes in this project has encouraged their widespread application across India, becoming the primary mechanism to empower women. However, this success has often been assumed rather than proven, with evaluations generally lacking a conceptualisation of empowerment based on theoretical understandings of power relations. This article aims to overcome this by evaluating the potential of SHG programmes through the reduction of internal, institutional and social constraints that prevent the marginalised from pursuing their interests. An analysis of the ‘normative’ model of SHG programmes, and its actual application shows that while SHG programmes have the potential to empower women, this is often not realised through the persistence of ‘top-down’ approaches in implementation. SHG programmes are further limited in their ability to transform social relations due to their apparent insistence that the marginalised are the only legitimate actors in their own empowerment. Rather than argue for the discontinuation of SHG programmes in India, their potential to empower women can be increased through a ‘bottom-up’ orientation in implementation, while recognising that in and of themselves SHG programmes cannot reduce all the constraints preventing the pursuit of interests.

59) R. Amudha and C. Vijaya Banu (2009), “Micro Finance — A Tool for Elevation of Social Entrepreneurship through Women Empowerment” Asia Pacific Business Review, January 2009; vol. 5, 1: pp. 77-86. The economic development of any country aims at bringing out changes in social life rather than modernization. Micro finance as a strategy involves the provision of a broad range of financial services, such as loans, deposits, payment services, remittances, pension and insurance to poor and low-income households. This study ventures to understand and assess the role that micro finance plays as a tool for elevation of social entrepreneurship through women empowerment. A sample study has been conducted on the self-help groups in Thanjavur District of Tamilnadu, which is covered by agricultural occupation in both urban and rural areas. This study covers 10 villages with a sample size of 174 SHG members. Survey method has been followed to collect the primary data by administering an interview schedule. The result shows that irrespective of age, marital status, family size and number of members, the SHG members are able to venture any business and earn the income.
Jamie Morgan and Wendy Olsen (2011), “Aspiration problems for the Indian rural poor: Research on self-help groups and micro-finance” Capital & Class, June 2011; vol. 35, 2: pp. 189-212[J. Ref. No.55, P/166]. They have stated how poor rural households in India are increasingly accumulating debt through micro-finance initiatives channelled through local self-help groups (SHGs). The aim of micro-finance and SHGs is to provide a cheap source of capital for investment in self-sustaining economic practices — typified by the Velugu programme. However, the reality of micro-finance has been more complicated. It has created a class- and caste-related debt-dependency and vulnerability whilst also channelling poor households, and women in particular, into subordinate areas of the economy, which ultimately serve to maintain fundamental inequalities in Indian society. The initiatives may, in addition, be viewed as aspects of broader processes of financialization.

Bera Sudhin Kumar (2011), “A Study of SHG-Microfinance Initiative in Purbo Midnapore District of West Bengal: Indian Management, Year: 2011, Volume: 56, Issue: 2[J. Ref. No.56, P/166]. He stated that providing easy finance and micro credit has always been the primary objective of Micro Finance Linkages. Micro finance in the form of SHG Linkage model has been able to inspire hope in the lives of thousands of rural people, women in particular, and enable them to contribute to their families wellbeing through savings and borrowings. Microfinance influences the quality of life and is considered a powerful tool for positive socio economic changes in modern society. It is well known to us that West Bengal is one of the important states in the Eastern Region in respect of SHG-Bank linkage programme. During 2009–10, the number of SHG formed in W.B. under SGSY scheme was 35123, which is second highest among all the states of India. Further, the erstwhile district of Midnapore was divided into Purbo Midnapore and Paschim Midnapore on 1st January 2002. The present study is a modest attempt to analyse the performance of microfinance activities and to explain the socio-economic impact of microfinance on the SHG members of Purbo Midnapore District based on primary data collected from two villages taken from two different blocks. The objective of the study is to identify and assess the socio economic condition of the member beneficiaries during pre and post SHG situation and to examine the utilization of microfinance services provided by the SHGs on income and employment levels of the beneficiaries. The study was conducted by circulating structured questionnaire to 88 sample households taken from
20 SHGs through random sampling method and results are interpreted by tabular analysis. The study identified the remarkable improvement in the income level and employment generation by the member beneficiaries and found significant increase in savings of the member households. At the end, the study highlighted the issues concerning the functioning of SHG groups

62) Panda Debadutta Kumar and Atibudhi Hrudananda (2011), “A Study on Self-help Group based Microfinance Impacting Poor Rural Households” IMS Journal of Management Science, Year : 2011, Volume : 2, Issue : 1 [J. Ref. No.57, P/ 166]. They examined empirically the impact of Self-help Group based microfinance on the socio-economic characters like income, employment, literacy and migration of the rural households of Orissa state of India. An attempt is made to carry out a quantitative study to supplement a large number of past qualitative researches, and to find out how Self-help microfinance programs impact households under different livelihood portfolios. A multi-stage stratified random sampling is employed and data collection is made through structured household schedules. Impact assessment is made by comparing a control group with the target group, and the test of significance is done through the paired t-test. Econometric models like logistic regression and probit model are used to analyse the data. The study came out with the result that the Self-help Group based microfinance has a positive impact on increasing the income, employment days and number of literate family members of the participating households; and decrease in the number of family members migrating and number of migration days. Also the Self-help Group based microfinance programmes have higher impact on households under the primary occupation of micro-enterprise & trading activity than that of the agriculture & allied activity across various household characteristics.

63) Dr. Karuppasamy R.*, Mr. Kumar K. Rajesh (2012), “Access to microfinance for poverty reductions: A comparative model for achieving MDGS”, ZENITH International Journal of Multidisciplinary Research, Year: 2012, Volume: 2, Issue: 9[J. Ref. No.58, P/166]. They stated that poverty in India has been the focus of many debates and policies for decades. Poverty could be defined in so many ways. It is one such phenomenon which still remains a thorny aspect for many countries. Poor people spend a greater proportion of their budgets on food than richer people. As a result
Poor households and those near the poverty threshold can be particularly vulnerable to increase in food prices. Microfinance addresses the shortage of physical capital amongst the poor and thus directly affects the creation of human capital for the poor. In this era of corporate social awareness, microfinance not just substantiates the claim of corporate citizenship but it also extends the reach to this marginalized market segment of the society. This paper aims to portray the access to microfinance for poverty reduction.

64) H.A. Manju, Dr. Shanmugam V (2013). “An analyses of SHG performance through micro finance in Karnataka state” Asian Journal of Research in Social Sciences and Humanities, Year: 2013, Volume: 3, Issue: 5[J. Ref. No.59, P/166]. They have stated that microfinance has vital role in economic empowerment of women in India and state of Karnataka also. The main objectives of the study are to examine the SHG-Bank Linkage programme, to evaluate the performance of microfinance (in Karnataka) with women economic empowerment. This study is purely based on secondary data and this paper has used simple mathematical and econometric models like Mean, Co-efficient of variation, Compound Growth Rate, One way Anova model to interpret. This paper has concluded that, commercial banks have dominant role in formulation of SHGs and providing loan facility to SHGs through SHG-Bank Linkage Programs but in the period of providing refinancing facility, cooperative bank and commercial bank have taken 2nd and 3rd place in providing refinancing facility in Karnataka. Hence NABARD annual report for 2010–11 says that SHGs have helped reduce dependence on local money lenders. Up to 66 percent of the members are free from the clutches of local money lenders in Tamil Nadu and as high as 92 percent in Karnataka state. But unfortunately, majority of SHG members are using loans to unproductive purpose. This leads to insolvency. So, the members should use loans to productive purpose, in order to empower the economic condition.

65) Bihari Suresh Chandra (2011),” Commercialization of Microfinance in India” Asian Journal of Management, Year: 2011, Volume: 2, Issue: 3[J. Ref. No.60, P/167]. He has stated that world over, the needs of the poor are found to be largely similar. The poor require financial services in the form of credit, savings, insurance and other services for meeting their survival needs, improving their living conditions,
coping with calamities, disasters and emergencies, and above all, to take care of their livelihood. In order to meet their needs, they generally rely on informal sources such as local moneylenders, village communities, local clubs, friends, relatives and other social acquaintances. The services of formal financial institutions to the poor have remained limited. The developing countries, all over the world, have, during the past few decades, witnessed the emergence of alternative financial institutions differing in form and characteristics but having a common goal of promoting “Financial Inclusion” by providing financial services to the unreached and unbanked segment of the population. As a result of various successful programs all over the world, Microfinance has emerged as an attractive tool to help the poor, since it not only helps in improving livelihoods and reducing their vulnerability but also has a significant positive impact on women's economic and social empowerment, in terms of their ability to access loans, own productive resources, engage in income generating activities, decision making and increased mobility. But of late, massive investments by private equity firms coupled with an initial public offer (IPO) by SKS Microfinance has ignited a debate about the ethics and objectives of microfinance institutions (MFIs) in India. Though initially started by women's groups and NGOs to empower poor people at local level, microfinance is no longer a micro or local phenomenon. Globally, the microfinance industry controls over $50 billion in assets. In India particularly, there appears to be a shift in focus from Banking for the Poor to Banking on the Poor and the purpose of this paper is to examine all issues related to the debate.

66) Sarmah Gunindra Nath (2012), “Constraints on women's empowerment though self-help groups: A case study in lakhimpur district of Assam” International Journal of Business Economics and Management Research; Year: 2012, Volume: 3, Issue: 10[J. Ref. No.61, P/167]. He stated that almost half of the country's population is women. Women also play a significant part in a household as well as in the economy. But till today women are found to be backward in comparison to men. Several efforts have been taken by the government for the socio-economic development of women in our country and Self Help Group (SHG) has gained prominence as a successful strategy for women empowerment in India since 1980. Present study focuses on, review of various literature relating to women empowerment and find out issues for research. Moreover, the study examines various
socio-economic and institutional constrains relating to women empowerment of different social groups under SHG through microfinance. This study was conducted in the Lakhimpur district of Assam. Data collected from different social groups of selected development blocks of the district under purposive sample method and total 200 sample respondents (SHG members) were selected for the study. The study found various constraints of women empowerment through microfinance and suggested to overcome the constraints.

67) Anjugam M. and Ramasamy C (2007).;“Determinants of Women's Participation in Self-Help Group (SHG)-Led Microfinance Programme in TamilNadu” Agricultural Economics Research Review Year: 2007, Volume: 20, Issue: 2[J. Ref. No.62, P/167]. They stated that factors determining participation of women in microfinance programme in Tamil Nadu have been identified following the multi-stage purposive and random sampling technique and selecting Coimbatore and Ramanathapuram districts for the study. It has been observed that socially backward, landless and marginal farm households participate more in this programme. Possession of livestock and consumer goods by the member households has been found to deter the joining of group. However, the number of households having informal borrowings, especially from private moneylenders has been recorded to be higher among the members before joining the group. Analysis of determinants of women's participation in microfinance programme using probit model has revealed that the age of women and value of productive assets, other than land, have a significant negative influence on their participation. However, social backwardness, indebtedness and presence of other microcredit programmes in the same or nearby villages have a significant positive influence on women's participation in this programme. In researcher’s opinion it’s talked about socially backward, landless and marginal farm households participate more in SHG programme.

68) Mkpado M. and Arene C.J.“ Does Group Design Affect Savings Mobilization of Rural Agricultural Micro Credit Groups? Evidence from Nigeria” Published in Economic Affairs Year: 2010, Volume: 55, Issue: 3and4[J. Ref. No.63, P/167].They have stated that savings is both a risk management strategy and a determinant of magnitude of investment but its determinants and mobilization strategy are controversial issues in literature. This study thus aimed at investigating the effects of
group design characteristics on savings among rural agricultural micro-credit groups in Nigeria. The study was conducted in Imo state of Nigeria. Using two micro finance institutions that were purposely selected, 54 micro credit groups were randomly selected via stratified sampling from the two micro finance institutions afore-selected. Descriptive statistics and multiple regression technique were used in data analysis. Results show that some problems limiting the access to group formal financial services are not only related to one another but are caused by group members and coordinators. It also shows that gender composition, membership size, age of the groups and frequency of meetings per month are inversely related to savings while fund size and random method of allocation are directly related to savings. The study recommends among others, formation of groups by younger farmers, based on the dictates of lifecycle hypothesis.

69) Anuradha P S (2011), “Ensuring inclusive growth and sustainable development through self-help groups for building brand India - A case study approach” International Journal of Business Economics and Management Research; Year: 2011, Volume: 2, Issue: 5[J. Ref. No.64, P/167]. She has stated that a nation's brand is a powerful means for value creation, achieving a long term economic prosperity and global leadership in this age of globalization and competition. To attain this focused approach of inclusive growth is required. Inclusive growth is essential for building and strengthening India for it to be placed as one of the leading nations in the world. Building brand is not a choice but an obvious necessity. Building Brand India is imperative. It cannot be ignored as it is the ‘New Commandment’ of the new age. This paper identifies the strategies for sustainable development and attaining inclusive growth for building brand India through self-help groups, one of the microfinance models. Case studies of Hindustan lever, Microsoft and ITC are also highlighted to prove that private players also play a significant role by applying the SHG models and contributing to attain an inclusive growth.

70) Dr. Bansal Atul (2012), “Finance for the poor: From microcredit to micro financial services in India”, Asian Journal of Research in Banking and Finance; Year: 2012, Volume: 2, Issue: 1[J. Ref. No.65, P/167]. He stated that the achievements of the ‘microfinance revolution’, through reference to the now extensive literature. It is found that there are many opportunities to improve and innovate. To illustrate this
finding, the paper concentrates on examining what we need to know to design and deliver better financial products to the poor, especially the poorest. Microcredit is the extension of very small loans (microloans) to those in poverty designed to spur entrepreneurship. Microcredit is based on different set of principles, which are distinguished from the general financing or credit. Microcredit emphasizes building capacity of a micro-entrepreneur, employment generation, trust building and help to the micro entrepreneur on initiation and during difficult times. This paper has discussed about the Microcredit which was introduced in India during eighties. It had a great impact on the urban poor community since it was not considered “creditworthy” enough. In such a scenario, microcredit came as a blessing because micro-credit institutions lend small sums of money at a reasonable interest rate without any collateral to people who need it the most which led to the development of this financial innovation in India. This paper also discusses the welfare effects of microcredit, which plays an important role for the social and economic development of the country such as reduction of vulnerability, formation of micro clusters, eradication poverty, child labour, helps in skills training, women education and empowerment, creation of wealth and assets and relieve the rural masses from the clutches of poverty hence improving their standard of living.

Dr. Gurumoorthy T.R., and Professor Annadurai A. R (2012). “Impact of Self-Help Groups on Economic Development of Empowered Rural Women (An Empirical Study with Special Reference to Sivagangai District of Tamil Nadu)” International Journal of Social and Economic Research. Year: 2012, Volume: 2, Issue: 2[J. Ref. No.66, P/167]. They have stated that Microfinance through women's self-help groups (SHGs) is a considerable medium of poverty mitigation and empowerment of women. SHGs formed by women in different places have proved that they could certainly bring about a change in the mind-set of the very conservative and tradition-bound illiterate women in rural areas. The concept of group formation is the best strategy to enlighten women and provide necessary mental courage for self-employment. This article makes a strong case for SHGs as a new development paradigm for bringing about economic development and gender equality among rural women in India by creating self-employment opportunities through microcredit. The study is based on the premise that poor women can internalise production possibilities in groups only. They are better equipped to conquer the harmful social stress and gender biases
operating against them through group identity and movement. Conversely, the relationship of credit admittance to self-employment is not involuntary but depends on different factors.

72) Devi K. Sita (2005); “Impact of microfinance in pushing back rural poverty in Cuddalore District” Agricultural Economics Research Review Year: 2005, Volume: 18, Issue: 2[J. Ref. No.67, P/168]. She states that in the light of the importance of microfinance in pushing back rural poverty, through the formation of SHGs, this study has been undertaken in the Cuddalore district of Tamil Nadu with the specific objectives of (i) finding the sources of funds and credit operations of the SHGs, (ii) evaluating and identifying the factors influencing the performance of SHGs, (iii) examining the strengths, weaknesses, opportunities and threats (SWOT) of SHGs, along with the impact of microfinance on the socio-economic status of the rural poor, (iv) accessing the impact of microfinance on the distribution and variation of the income in the rural households, (v) estimating the nature and type of household demand for food items, (vi) finding the impact of microfinance on the living conditions and empowerment of women and (vii) explaining the factors influencing the decision of the poor to join SHGs. A multistage stratified random sampling technique has been adopted in selecting 54 SHGs and 216 members (beneficiaries) and 216 non-members (non-beneficiaries). The data collected from both the primary and secondary sources, have been post-stratified into two categories: viz., Category I (consisting SHGs that have completed three years of their existence) and Category II (consisting SHGs with more than three years of their existence). The descriptive analysis has been undertaken using percentages, means, etc. to study the performance of the SHGs and their impact on members in both pre- and post-SHG situations. The performance of the SHGs has been assessed using scoring technique. The linear regression analysis has been undertaken to study the influence of various factors on the performance of SHGs. The SWOT analysis has been applied to find possibilities of converting the threats into opportunities and setting-off the weaknesses with the strengths of the SHGs. Lorenz curves have been graphed and Gini ratios and Lorenz ratios have been computed to evaluate the distribution of income of the respondents. Decomposition analysis has been carried out to find the individual contribution of the factors on income reduction in order to discern the true impact of SHGs on annual income of the households. Almost Ideal Demand System (AIDS) has been employed
to estimate the household demand of the respondents and to compute the elasticities of important food commodities. The Composite Index of Standard of Living has been computed for each household by combining the social and economic indicators using the scoring technique. The Garrett ranking technique has been employed to find the opinion of the members regarding the utility of SHGs and to study the reasons for not joining the SHGs. A logistic regression model has been estimated to empirically quantify the relative influence of various factors in the decision-making of the respondents for becoming the members of SHGs.

The study has shown that SHG member households have registered a positive and significant impact on the economic spheres. The older SHG members (Category II) have exhibited a significant increase in the economic variables when compared with those of the young SHG members (Category I). It has been concluded that SHGs have become a vehicle of change in the perceptions of rural people who have become aware of their role as partners in the process of rural development. The improvement in the socioeconomic conditions of the SHG members has increased their confidence level, restored self-respect and improved their social concern. The members have though joined SHGs for various reasons; they have one common goal — seeking a better standard of living through an organization that works for their benefits. Hence, this study has suggested that the policy planners should intensify their efforts to make the SHG movement a sustainable vehicle in the process of rural development.

73) Hariom, Kumar Yogender (2012), “Growth of Micro Finance in India: A Model wise Assessment” International Journal of Social Sciences, Year : 2012, Volume : 1, Issue : 1[J. Ref. No.68, P/168]. The findings of the study reveals that Model I in which SHGs are Directly Financed by Banks and Model II in which MFI’s are Financed by Banking Agencies for On-Lending to SHGs, both have increased trend in savings, loan disbursement and bank loans outstanding to SHGs in absolute terms, but in percentages these show different pictures, sometime amount growth rate is more than the number of accounts and in the other side the growth rate in the number of accounts more than the amount growth rate in the same year. Furthermore, in one year you get high growth rate and in another year, have low growth rate and in some cases it has become negative also. So, the NABARD and the RBI which are the apex financial institution in India both make efforts for keeping the consistency in the growth rate and try to minimise the decline rate through making better policy
regarding encouraging voluntary agencies, bankers, socially spirited individuals, other formal and informal entities and also government functionaries to promote and nurture SHGs.

74) Sabadra Mangala A (2010); “Microfinance – A Tool for Poverty Eradication” Journal of Commerce & Management Thought Year: 2010, Volume: 1, Issue: 2[Ref. No.69, P/168]. They have stated that the need and success of Microfinance in Eradicating poverty, particularly, in India and in the world in general. Microfinance exists since time immemorable, throughout the world, in many different forms. It is experienced that the poor need microfinance (< $100) to uplift their families from the clutches of poverty and loan sharks. Not relying fully on the past, MFIs should monitor financing activities professionally, to optimize the funding. Economic and Social benefits of these activities till now, have proved to turn into more economic benefits in the long run.

75) Sharma Paritosh (20110, “Inadequacy of Micro-Finance for Eradicating Rural poverty in Andhra Pradesh: Trends in Perspective” Quest-The Journal of UGC-ASC Nainital; Year: 2011, Volume: 5, Issue: 2[Ref. No.70, P/168]. He has stated that India is a vast country with a total population touching 125 crores. The geographical and social diversity make governance and developmental initiatives even per head/capita complicated. 77% of the population is earning less than Rs.20.00 per day. The Indian banking system is not so robust to support such a vast clientele of population. 30% of Indians do not even have bank accounts. Indian banks do not provide loans to start business or support agriculture work without basic bank accounts details and complicated paperwork. Credit facilities available to small farmers or marginalised people remain difficult to access and insufficient. In the last decade, one major financial trend which has cropped up in India is that of Micro-Finance Institutions (MFIs). MFIs are present in the remotest part of the country and are providing loans to farmers, cottage industry and small creditors. MFIs recorded a robust growth from 2007 to 2010, almost 100% increase year on year and profit surged to 5.5 times in 3 years. But now the scenario may change. A large number of suicides by farmers in Andhra Pradesh has been attributed to MFIs loan recovery and high interest borrowing. Andhra Pradesh Government has imposed some restrictions on the working of MFIs. This sector is in deep trouble. This paper analyses the situation of
recent crisis that has come-up in MFI business. In Researcher’s opinion it talks the inadequacy of Micro-Finance for Eradicating Rural poverty of member of SHGs.

76) Prof. Patel Ritesh, Prof. Patel Mitesh; “Micro finance – A tool to improve living standard,” Asian Journal of Research in Banking and Finance. Year: 2012, Volume : 2, Issue : 8[J. Ref. No. 71, P/168]. He stated that Micro finance is defined as to provide small scale financial services - both credit and savings to the economically disadvantaged people in rural, semi-urban and urban areas. Study was done to find the impact of microfinance on living standard of urban poor women & its societal consequences with specific focus on women self-help group members in Ahmedabad City. Various analytical tools such as Descriptive statistics, factor Analysis, Reliability Analysis, ANOVAs, chi-Square & Paired T-Test were applied. Through microfinance or SHG women's social status, self-confidence, decision making in household and savings are increased. They feel themselves fearless and can move out of the house and also taking care of their families. Through Microfinance Living Standard of People is improved. In Researcher’s opinion it’s about how to improve the living standard of SHG.

4.2- In conclusion- The present chapter of this study endeavours to review briefly the related literature only to represent the say about impact of microfinance schemes in economic development of self-help groups in areas other than Pune and also they did not find out what are obstacles in microfinance in economic development of SHG and how these obstacles can be removed for microfinance in economic development of Self Help Groups. Researcher does not claim to have reviewed all the related literature in the context of the topic selected for the study. It is just an attempt to take a glance of some important works done in the context of “Microfinance schemes in economic development of self Help Groups”.

4.3 References:


