CHAPTER II

REVIEW OF LITERATURE

2.1 Introduction

This chapter reviews existing literature on women entrepreneurship and microfinance institutions, financial accessibility of scheduled caste and scheduled tribe women entrepreneurs, micro enterprises and empowerment. Moreover, the chapter also traces out the previous study regarding microfinance institutions functionalities, which promote the inclusive growth of scheduled caste and scheduled tribe women entrepreneurs. The reviews are arranged in chronological order.

Lalitha Rani (1996) studied of 100 women entrepreneur in manufacturing, trading and service in Visakhapatnam city of Andhra Pradesh and analysed the socio-economic background of women entrepreneurs. The respondents were either from families which were already in business or having highly educated husbands or fathers. Women preferred to start enterprises based on their educational background. Service sector entrepreneurs were found with higher level of education and the trading entrepreneurs were found with comparatively lower education level. In manufacturing, nearly half of them had technical education. Majority of entrepreneurs in the service sector were employed prior to start the enterprise. The socioeconomic profile of women entrepreneurs in Visakhapatnam was largely found from Telugu speaking forward community Hindu, in the age group of 30-39 years at the
time of starting the enterprise and they were coming from nuclear, middle class family and with well-educated husbands settled in business. Many of the respondents migrated to Visakhapatnam owing to husbands or father’s business or job. Further, the study has examined the motivational and facilitating factors and work-home role conflict. The study revealed that the major aspiration of women entrepreneur before setting up the enterprise was to pursue an activity independently, followed by utilising their skills, talents and professional expertise. After setting up of the enterprise, their aspiration was to run it successfully followed by expansion of the enterprise in case of manufacturing and service and to set up another enterprise in the trading sector.

Prasad and Venkatesware Rao (1998) examined the socio-economic background of women entrepreneurs, motivation factors and problems faced by the women entrepreneurs. In order to examine the above objectives, 125 women entrepreneurs in the state of Andhra Pradesh were interviewed by adopting purposive sampling method. Out of 125 units selected 44 of them are found to in food processing, 32 garments and textiles; 15 in handicrafts and 26 are of technical in nature. All these industries are tiny and small units covered under small scale sector. This study further examined the range of investment and return on capital employed in the sample units. The study made the following suggestions, namely (i) for initial and first generation entrepreneurs, it is desirable to take up non-technical industries whereas for second generation entrepreneurs technical units are not a taboo; (ii) banks and financial institutions should not insist on collateral securities and margin money should
be provided to the feasible unit; (iii) Technical know-how and training facility in management should be imparted. Therefore frequent workshops and refreshers courses must be conducted by Government departments to the entrepreneurs. (v) As more investment and experience is required to run the industry, it is desirable that women should think of going in for joint ventures, partnership and private limited companies then taking up independent units. (vi) wide publicity through different media conference seminars and other related activities must be conducted to educate and stress the need for more women entrepreneurs to come forward to start an enterprise.

Basing on the study made on women entrepreneurs the following conclusion are drawn (i) first generation entrepreneurs are not so much successful (ii) streedhan is one of the important factor for success followed by the people hailing from business communities (iii) units established by the entrepreneurs before marriage are not so much successful (iv) units promoted by entrepreneurs after marriage and having grown up children are doing well. (v) units promoted by technically educated are more successful and non-technical by educated are also successful (vi) electronic, brick making and other technical and mechanical units are not that much successful (vii) fabrics home products and other allied units are successful (viii) urge for the status and experience in the same line are two important factors for the success of the unit, and (ix) interest subsidies and marketing facilities offered by the institutions are inadequate.
Manimegalai and Rajeswari (2000) investigated the problems of women entrepreneurs of SHG in rural areas at Trichy District in Tamil Nadu, India. The study found that one – third of problem faced by women entrepreneurs was shortage of capital. This is because the members got loan from either from SHGs or from the microfinance institutions. The study revealed that 21 per cent of the women entrepreneurs faced marketing problems.

Laxmi and Kulshrestha (2000) recognised the significance of micro finance for the advancement of women and of taking small venture. The study examined the Panchayat Raj and the managing an account framework to enhance country women entrepreneurship. The research goes ahead to talk about the elements of miniaturised scale fund and cooperation of weaker segment, including women, in government supported projects. The study additionally put accentuation on the troubles confronted by women in applying for credit to their venture. The study critised the credit programmes for disregarding women entrepreneurs. In conclusion, the researchers distinguished some viabales and helpful credit programmes for women entrepreneurs.

Gurumoorthy (2000) distinguished the significance of self improvement gathering of women and promoting enterprise. Looking for the hesitance of destitute individuals to approach banks, the author contended that self improvement was the practical contrasting options to accomplish the goals of rural development and entrepreneurship.
Naresh Singh (2004) conducted a study on income generation and poverty alleviation through microfinance. This study is particularly focused on comparative study of approaches to microfinance delivery system in Bangladesh and India and how microfinance has been helpful in income generating and poverty alleviation. The study has used different kind of approaches to microfinance delivery. Different models have emerged in microfinance delivery based on their client, focused area, interest rate, savings linkages, collateral, coverage and organisational legal structure. These models can be classified under four broad approaches. They were group promotion, microfinance institution, micro enterprise development and social development. Further, this study has some critical issues based on microfinance, namely it reduces poverty by increasing per capita income among programmes participants and their families.

The study documents that due to Grameen Bank over all levels of employment has increased and labour force participation among women has increased, and self – employ were has also increased. The targeted microfinance programmes also helped to increase assets, savings and net worth of households. Most importantly, it helped in promoting a shift from land based activities to non-traditional economic activities. Targeted microfinance programmes promote productivity and create employment opportunities in the rural economy. The study also found that there is a positive impact on the social and material well-being of the participants of microfinance programmes. It has also become self- sustain gradually. High rates of recovery under
microfinance programme proves a hypothesis that the poor credit worthy and thus bankable, SHG bank linkage programme once started as an experiment basis is a successful one in India.

The study concludes that the microfinance sector has grown at a very fast rate in both the countries over a period of time and the growth of the sector in both the countries reflects certain similar pattern. Microfinance has made impact on the life of people strengthened the capabilities of poor people to start income generating activities/ and micro enterprises. The recovery rate is very high under micro finance projects, which reflects the economic and financial sustainability of the programme.

**Dhameja’s (2004)** study of 175 women entrepreneurs from seven districts of Punjab, Haryana and Chandigarh examined the opportunities, performance and problems of women promoted enterprises. Analysis of the socio demographic profile of women entrepreneurs has brought out the following results. Maximum number of respondents started their units in the age group of 25-40 that is., after completing their school education, marriage and in some cases after acquiring a few years of work experience. Majority of them (81 per cent) had good educational background. Among them, 46 per cent had experience in manufacturing, trading and service or a combination of these ranging from six months to more than five years, prior to the launch of their enterprises. A significant percentage of respondents (35 per cent) had undergone training, ranging from less than three months to more than two years before starting ventures. Among them 42 per cent were earning quite well
before venturing into their own business. Majority of them (84 per cent) were married at the time of starting their enterprise and 79 per cent had urban background. Some of the families belonged to business or professional background, strengthening the belief that business family background facilitates one’s entry into the entrepreneurial world easily.

Anil Kumar (2005), in his study of 120 women entrepreneurs engaged in small manufacturing enterprises in six districts of Haryana, has attempted to determine the factors which compelled women to enter business ventures. The entrepreneurs were asked to rank the three optional proposed, namely (a) to achieve the goal through a successful careers, (b) to make fruitful use of free time and, (c) compulsion of family circumstances. The study reveals that women have started participating in economic activities not due to family compulsions but for fruitful use of free time. It indicates that high growth in the economy and positive development of the society. Further, this study indicates that women entrepreneurs, who have given first preference to achieve the goal, are of a higher level of income as compared to other respondents. This shows that the two features are positively correlated. Next is to make use of free time by starting a small enterprise. Only 15 per cent of women respondents gave the first rank to family compulsion to start their business and 47 per cent assigned the third rank. Family compulsion is found more in the case of respondents with low level of education.
Christina Kantha Raj (2006) carried out a study on Tibetan women entrepreneurs in Karnataka with special reference to Bylakuppe settlement. The study tries to understand why Tibetan women outnumber men in various enterprising activities and also what are the challenges and constraints that prospective Tibetan women entrepreneurs face now about the religious sanction in taking up enterprise and the way Tibetan women entrepreneur use with it. The hypotheses of the study were an increase in Tibetan women entrepreneurs was a result of the challenges that arose following their displacement, springing up of women entrepreneurs has pushed the standing of linking of the Tibetans economically socially and politically. Most of the Tibetan women entrepreneurs mix up different types of enterprise in a single financial year. Tibetan women entrepreneurs share equal status with that of their male counterpart. Women entrepreneur among Tibetans are by and large outgoing nature and at the same time are more religious, social, cultural and traditional ties are very strong amongst Tibetan women entrepreneurs. The respondents were chosen from various enterprise activities such as agriculture products, marketing, agriculture inputs marketing, carpet weaving- marketing and woolen products marketing, hotel, computer center and beauty parlour.

The study found that a majority of the respondents studied upto high school. A majority of the respondent’s residents were provided by the Government. 64 respondents had own house and 11 respondents resided in rented house. Agriculture, trading, manufacturing, dairying and service were the areas where the respondents have ventured. Hardship in managing an
enterprise is common and the most highlighted areas being the space for erecting temporary stalls on the roadside in various cities and towns of India with permission from the respective corporation or town municipalities. The other major one being the hunt for financial support as the banks do not give 100 per cent finance for the enterprise which makes the Tibetan women entrepreneurs knock at the doors of others financier like money lenders.

Sujata Mukherjee’s (2006) study on 125 women entrepreneurs form service, trading and manufacturing sectors in greater Mumbai and Pune districts of Maharashtra examined the motivational factors of women entrepreneurship. The entrepreneurs selected were of low income strata. The study revealed that the respondents were motivated to entrepreneurship primarily to satisfy their socioeconomic needs. Satisfying psychological needs of becoming economically independent, increasing self-confidence and ability to take risks were considered the motivating factors for venturing into entrepreneurship. A large majority of them (91 per cent) were motivated to support the family earnings and by a sense of responsibility and obligation towards the family. To gain recognition in the family and society also emerged as a motivation factor (77 per cent). The need to establish them in the society was thus considered as an important factor in this study compared to a few other studies where monetary attraction was considered the main factor for venturing into entrepreneurship. A sizeable percentage of entrepreneurs (58 per cent) also cited the desire to keep busy to purse specific interest, independent, confident and do something new (48 per cent) were few motivating factors.
Jayaseelan (2007) made a study on micro finance and the promotion of micro enterprises and the emerging challenges. It is an empirical study undertaken in two districts of Tamil Nadu. It reveals that majority of the respondents have taken up an enterprise as an individual activity (96 per cent), however, family support also helped the women to start the enterprises. One-fifth of the respondents managed the micro entrepreneurs themselves whereas 50 per cent of the respondents sought the help of their husbands to manage the units. About 49 per cent of respondents were not used to maintain business records and 79 per cent of the respondents had no strategy of their own. It was found that 70 per cent of the units employ 2 to 5 person in their units. 43 per cent of the respondents underwent training. About 48 per cent of the respondents aged between 18-35 years and SC and ST coverage was very low (17 per cent). Around 43 per cent of the respondents have not brought in margin money, however, used for their business. The choice of micro enterprises was not based on the demand but based on the training they received. Lack of product and process innovation was witnessed, as it was contributed by lack of capital.

Sobha Rani et al’s. (2007) study was focused on the perspectives on women entrepreneurship and the factors influencing the motivation of women to become entrepreneurs and selection of enterprises in industry service and business. The proposition accelerating the pace of women entrepreneurship was essential for broad based entrepreneurship in various sectors of the economy.
The study indicates that the credit guarantee cover has been raised by the Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) from 75 per cent to 80 per cent for micro and small enterprises for loans up to Rs.5 lakhs and for micro and small enterprises operated and or owned by women. A lower guarantee fee at the rate of 1.5 per cent instead of 2.5 per cent was charged from October 2005 in respect of (a) all loans up to Rs. 2 lakhs, (b) all eligible women entrepreneurs, and (c) all eligible borrowers located in the North-eastern region (including Sikkim and Jammu and Kashmir). In Andhra Pradesh, where subsidy was given on fixed investment for micro and small enterprises by the state government through the Commissioner of industries to the extent of 15 per cent subject to a ceiling Rs.5 lakhs, another five per cent subsidy, subject to a limit of Rs.5 lakhs was given to women belonging to SC/ST community. A number of other states also followed similar pattern.

The study concludes that the female entrepreneurs are considered as catalysts for economic development. Not only do they contribute to employment, wealth creation and economic growth through their increasing numbers and diversity of activities but they also make a contribution to the diversity of entrepreneurship in the economic process. Among the reasons for women to manage organised enterprises are their skills, knowledge and expertise, their talents and abilities in business and a compelling desire to achieve a goal by doing something positive and constructive utilising their expertise. The government has acted as a major catalyst in the democratic
framework, organising efforts and planning new initiatives in close consultation with entrepreneurs from various regions, through associations functioning at different levels. The direction needs to be pursued more vigorously at the district and state level to bring about socioeconomic transformation through female entrepreneurship in a number of fields, which have not yet been exploited by women. Efforts should be made to develop women entrepreneurship more evenly in different regions, including rural and semi-urban areas.

Oza (2007) carried out a study on the role of banks in entrepreneurship development of women in Jamnagar Rajkot Gramin bank, Jamnagar branch. A interview schedule was prepared to collect the information from 40 women entrepreneurs from Jamnagar. A majority of the respondents have taken a loan from the Jamnagar Rajkot Gramin Bank. The time lag for sanctioning the loan was normal (80 per cent) and moderately lengthy (20 per cent). The repayment period was sufficient for 85 per cent of respondents and insufficient for 15 per cent of respondents. The interest was normal perceived by 90 per cent and moderately high viewed by 10 per cent of the respondents. Legal formalities followed were rigid and complicated (50 per cent) fairly simple (95 per cent). Recovery procedure was strict (20 per cent) and liberal (80 per cent). The total service of the bank was very good, stated by 70 per cent of the respondents. They were engaged in the following enterprise activities namely, sewing machine (45 per cent), readymade garments (15 per cent), novelty store (20 per cent) and other (20 per cent). The study reveals that most of the women
have strong will to work to get success in their enterprise. Desire to achieve something and sufficient supports from family for setting up enterprises are the major reasons for the success of enterprise.

Neerja Jaiwal (2007) has undertaken a study with the objective of identifying the constraints encountered by the women entrepreneurs during establishing and nature of problems. A sample of 113 women entrepreneurs of Vadodara city was related for the study. They were selected through snowball method, based on a set criterion. They were interviewed personally on a pre-tested interview schedule. The study highlighted that women entrepreneurs experienced all sorts of problems relates to finance, technical, labour, marketing, legal and other general ones. Solving the problem jointly with their husbands predominantly existed among the women entrepreneurs. The study further found that 53 per cent of the respondents faced the problem of limited funds, which was hindering the growth of their enterprise. 42 per cent of women entrepreneurs were facing delays in sales cash realisation for their enterprise. 42 per cent of the respondents found anxious about the non-availability of skilled and experienced personnel. However, limited working capital, non-availability of skilled and experience labour, problem of stiff competition, marketing problem, corruption, and red tapism to the extent of frustration were found to be the most pressing ones among others.

Chhichhia (2007) carried out a study on problems faced by the women entrepreneurs and the importance of training in their enterprise. The information was collected through questionnaire. Sample of 40 women
entrepreneurs was done at Jamnagar related to brass industry, fashion world, beauty world, handicraft and hospitality business. A majority of the respondents (79 per cent) told that they had a family responsibility and had a financial pressure. The study found that a majority of the respondents faced marketing difficulty (46 per cent). 91 per cent of the respondents stated the lack of availability of training center was the problem. 54 per cent women entrepreneurs stated that time spent did not give worthy outcome of money. 35 per cent women entrepreneurs perceived the need for modifications from time to time was essential to survive. 98 per cent women entrepreneurs have viewed that lack of exposure of facilities like internet was a hurdle. 72 per cent women entrepreneurs expressed that in the beginning they struggled more to survive in the market but once success was achieved, survival was not a big issue. Three per cent of the women entrepreneurs had complete computer setup in their factory and they made efficient use of internet marketing to develop their enterprise. All the entrepreneurs claimed that their standard of living and respect had improved in the society.

Yadappanavar (2008) carried out a study on women entrepreneurs who got credit support under SGSY in Tripura. Economic development through self-management activities equips the poor to play their role in more assertive way in the community. Under this programme banks and other financial institutions were being involved in planning and preparation of projects, activity, infrastructure planning as well as capacity building of the women through SGSY. The objective of the study was to examine the extent of credit
dispersed by the financial institutions under SGSY programmes and suggest relevant strategies for effective assistance to Swarozgaries. The researcher used both primary and secondary sources of data. The state selected was Tripura and two representative districts were selected. From each district two blocks, one developed and one backward were selected. The primary data were collected from the total sample of individual 39 respondents covering Swarozgaries and SHG members. The secondary data were collected from the bank. In each district, six bank branches and one lead bank including commercial banks, regional rural banks and cooperative banks and other financial institutions were selected. The total sample of 12 banks branch officials (implementing agencies like POs, APO and DRDAS) was also interviewed.

The study found that entrepreneurial activities taken by the Swarozgaries are piggery, dairy, printing, handicrafts, bamboo works and tailoring. The study found that most of the commercial banks do not have special field staff to look after SGSY’s schemes. The rate of interest is varying from nine per cent to twelve per cent per annum and the repayment period ranges from three to five years depending upon the kind of activity chosen by SHG members. The specific problems and areas of concern are reluctance on the part of banks, inadequate investment, poor income generation and diversion of funds for unproductive purpose.
Vijayalakshmi and Prajeetha (2008) carried out a study on “Empowerment of Women through Entrepreneurship: “An Empirical Study”. The main objectives of the study were to identify the important enterprise run by women entrepreneur; to analyse the psychological and personality factors of women entrepreneurs; to analyse the education and training undergone by the respondents; to analyse the availability of raw material and marketing facility and to find out empowerment aspect of the women. The study has framed three hypotheses, namely, (i) there is significance different in empowerment before and after starting business; (ii) there is no significant difference between education level of respondents and income level; and (iii) no significant difference between social status and income of the entrepreneurs.

The study was conducted among the women entrepreneurs dealing with tailoring unit, beauty parlor, computer center and boutique shops in Madurai. The list of women entrepreneurs were collected from the office of DIC, Madurai. The sample size is 120 covering four important fields each representing 30 samples. The study found that most of the entrepreneurs have started their business only after marriage, hence, entrepreneurial awareness camp may be organised at the college level in order to motivate them to start up enterprise soon after their studies. Most of the entrepreneurs are of imitative type, hence the guidance by institutions like DIC, CED and MADITSSIA is need of the hour. There is discontentment among the respondents over bank finance as regards cumbersome loan procedure and inadequate loan amount. The study recommends that security norms are to be relaxed and loan amount
is to be hiked. The problems in procurement of raw material and finance can be solved through institutional support since the entrepreneurs with technical education are proved to be high income earner out the technical skill can be imported to potential entrepreneur even at the college level.

Tamilmani’s (2009) study focused on Rural women micro entrepreneurship, very particularly on their social problem, business aspects and economic impact. The empirical study particularly focused on microcredit and its linkage to rural entrepreneurship. The salient features of these enterprises were mostly home based, involving less capital, adopting indigenous technology in their activities. Having understood the development process associated with the micro entrepreneurs, the central as well as the state governments motivated the members of SHGs to promote micro entrepreneurs as they lead to decentralisation of rural economy, a base for rural prosperity.

The main objective of the study was to understand the social profits of the SHGs members who turned into micro entrepreneurs; to analyse the organisation features of micro enterprises run by the micro entrepreneurs; to study the business aspects of the micro enterprises and to find out economics of micro enterprise on the households of entrepreneurs. Further, this empirical study was undertaken by adopting multistage random sampling method. The study area was Self Help Groups promoting institution (SHGPI) functioning in Gandhigram of Dindigul District. Three different organisation namely Gandhigram Rural University, Primary Agricultural Cooperative Bank (PACB) and Gandhigram Trust were selected for the study. Overall samples were 120.
Micro enterprises were selected on random basis for a detailed study. The study found that 40 per cent of the respondents belonged to backward classes and 27 per cent belonged to Scheduled caste. With respect to financial accessibility, own contribution was found to be higher in case of trust based groups and primary agricultural cooperative banks based groups. The bank finance was found higher for Gandhigram Rural University based on the growth. The micro entrepreneurs were found engaging in trade activities without much problem.

**Gowhar Than and Hima Bidu (2009)** carried out a study on “Microfinance and Poverty Alleviation: A Case Study with reference to Chennai City”. The major objectives of the study were to know the micro credit availability to the SHGs; to analyse the interlinked credit facility to women in SHGs and to find out the effect of the Micro Credit to remove poverty of women SHGs. The study has framed four hypotheses, namely the association between educational qualification and amount of loan given; micro credit and profit earned per annum; the association between micro credit and profit earned per annum and the association between micro credit and poverty. The study was based on a simple random sample survey. 125 respondents in Chennai city belonging to various self-help groups were selected. The investigation reveals that the respondents were earning more profits per annum after availing large amount of loan through micro credit. The respondents knew about the micro credit through newspapers and friends.
Vanithamani’s (2009) study on “Entrepreneurial Competencies of SHG Women Entrepreneurs in Coimbatore City” examined the entrepreneurial competencies of the women entrepreneurs in SHG and the entrepreneurial performance. The major hypotheses were to identify the components of entrepreneurial competencies and professional competencies and personal traits. It further analysed the relationship between professional competencies and personal traits, external and internal environmental factors and its impacts on entrepreneur competencies. The study has been undertaken to cover samples representing the members of women SHG from Coimbatore district in Tamil Nadu. 25 SHGs representation were derived from each Taluk, that is Coimbatore (north and south), Mettupalayam, Sulur, and Pollachi. The samples were selected at random by using snow ball method. From each Taluk 100 samples were selected with over all sample size of 400. The data were analysed by applying appropriate statistical tools using SPSS software. Percentage analysis, factor analysis, Chi-squire analysis, t-test and analysis of variance (ANNOVA) were used to identify the significant relationship between the variable specified and entrepreneurial competency.

Based on the analysis made, it was inferred that most of the women SHG members were entering into business ventures in the age group between 30-40 years old and were having basic literacy to read and write regional language; majority of them were daughters of entrepreneurial fathers and married to entrepreneurial husbands. Majority opined that their income increased, after joining SHG. More than half of the respondents have expressed
that they have developed thrift habit and social empowerment through entrepreneurial opportunities available in SHG. Having started their business venture with tiny investment, a majority of them were processing good asset values at present than the initial stages. More than half of the respondents have attended less than a week training and gained special skills. Regarding service offered by supporting agencies, respondents have expressed that they need clear assistance in availing financial supports and continuous motivation.

Interpretation made out of factor analysis showed that opportunity identification, risk taking nature, problems solving skills, decision making skills and task oriented news were the major components of entrepreneurial competency. Personal traits like planning skills, administrative skills, self-achievement and persuasive were identified as the major factors that influenced professional and entrepreneurs competencies. It was further observed that all the variable of internal environment factors like father’s occupation, spouse’s occupation, occupation of the respondents before joining SHG previous work experiment and family business strongly influence entrepreneurial competency. Similar relationship was identified with external environmental factor also. Regression analysis made to identify the impact of problem of business, they chose high level of interdependency.

The women entrepreneurs from SHG have expressed that their major problems were high indebtedness, poverty, marriage disputes, gender based treatment, harassments, poor awareness about policies and procedures, poor interpersonal relationship, inadequate capital insufficient time and knowledge,
lack of knowledge in business management, family issue and the problems related to marketing and sales.

**Dhanalakshmi (2010)** examined a study on “Women Entrepreneurship in Small Scale Industries at Chennai City in Tamil Nadu”. The study has adopted an empirical research. With the help of survey method, primary data were collected from respondents through interview schedule in the study area. The Chennai city has been purposively selected for the study since it was the industrial hub of small, medium and large size industries of all types. The city comprising of five industrial estates situated in Guindy, Ekattuthangal, Ambathur, K.K.Nagar and Sriperumpudur. As the population could not be defined properly, a sample size of 500 was considered as reasonable. Hence, selected 100 respondents from each industrial area, totally 500 respondents were contacted on convenient sampling method. After editing for truth and accuracy, the analysis was confined to only 375 respondents. Statistical tools such as percentage analysis, ranking technique, chi-square analysis were also used. ANNOVA, discriminate analyses were also used. Besides, the study also used multiple regressions for data analysis.

The study found that majority of the respondents age was 40 years and 62 per cent of the respondents were married. Scheduled caste and scheduled tribe women were 11per cent to total sample size of women entrepreneurs. 50 per cent the financial service of the respondents were self-service. The growth of women entrepreneurs 94 per cent. The study found that lack of finance was one of the major problems of women entrepreneurs. Hence, government should
provide financial assistance to the entrepreneurs. Lack of self-confident was another major problem of women entrepreneur as revealed in the study. Nearly half of the respondents sold their products within the state. Marketing of products was another major problem of women entrepreneurs. Hence, government should lend a helping hand by buying the products directly from women entrepreneurs.

Pannirselvam (2010) related his study on “Grameen Microfinance Institution and the Development of Women Entrepreneurs in Tamil Nadu”. The aim of the study was to study the significance and functionalities of Grameen microfinance institutions to promote women entrepreneurs in Tamil Nadu and to study the accessibility of microfinance and its influence on the livelihood development of the women entrepreneurs. The hypotheses of the study were:

- Grameen microfinance contributes to the development of women entrepreneurs and their empowerment;
- Grameen microfinance brings changes in the livelihood scenario of women entrepreneurs and Grameen microfinance institution generates additional employment opportunities to the family members.

The study of Grameen microfinance was conducted in Mahaseman microfinance institution in Tamil Nadu. Out of 88 branches functioning in 13 districts, 10 branches were chosen from five districts namely, Madurai, Ramanathapuram, Sivagangai, Dindigul and Virudhunagar. 600 respondents were interviewed for the study.
The study found that a majority of the women entrepreneurs were engaged in Animal Husbandry (32 per cent) and service based activities (30 per cent). The study found that women entrepreneurs belonging to the scheduled castes 116 (19 per cent) were involved in animal husbandry, agribusiness, manufacturing, trading and service respectively. Further, this study proved the access to finance to the poor was easy. The loan amount and entrepreneur income growth were highly justified from the ‘t’ test. The study highlighted that the microfinance institutions did not help the schedule caste women and schedule tribes women entrepreneurs as expected.

Ramaiah et al. (2010) carried out a study on institutional credit to Scheduled Tribes SHG members: A process evaluation of SHG- Bank linkage in three districts of Andhra Pradesh, namely Adilabad, Khammam and Srikakulam with predominant share of tribal population. All the selected villages were inhabited predominantly by tribes and primitive tribal group. The sample comprised of 63 SHGs and 143 SHG members from 22 villages in the selected three districts. This study was focused on the interior mandals in Andhra Pradesh. The study found that the Scheduled Tribe (ST) respondents were unable to access institutional credit even three years after joining the self-help groups. For want of the required social mobilisation and training, they could not acquire the threshold level maturity to participate in the bank linkage process. The present training and landholding support to the tribal SHGs should be stepped up to improve their social security levels. While the bank branch managers need to be sensitised to consider the credit needs of the tribal poor,
the government should explore technological, institutional and financial innovations to address the issue of branch viability in backward and tribal regions.

With respect to access of institutional credit to the tribal population in the study region, it was found that ST are little access to bank credit. Except for a public sector bank, no private bank or any MFI was found to operating in the region. As many as 141 (99 per cent) out of 143 tribal households studied under the sample had no individual bank accounts. According to sample respondents, the three mandals were found without any development support for micro enterprises and the SHG members were pushing traditional low productivity activities. The details appraisal of the level of institutional credit available to the SHG members against the type of their economic activity and the quantum of credit requirement were indeed disappointing. Lack of access to institutional credit was one of the principal constraints in pursuing occupational diversification among the tribes.

A detailed appraisal of the region reveals that several important inputs such as organisation of the poor into SHGs and building their capacity for saving, internal lending, book keeping and acquiring the threshold level financial management skills were not ensured. The SHGs were not supported in terms of acquiring functional skills, entrepreneurial capabilities, technology, infrastructure and raw material support and market exposure. The demand for credit in the predominantly inward looking subsistence economy was not forthcoming easily. For want of market exposure, entrepreneurial ideas and
managerial competence, the tribal households have become risk averse and have been given up, sometimes, economic opportunities to outsiders. This has to be changed through the identification and appraisal of micro enterprise opportunities and transfusing these ideas by development functionaries to the potential entrepreneurs among the poor. Investment credit among others is required to harness this potential.

Avodaiammal and Rajasekar (2010) studied “Business Avenues for Women Micro entrepreneurs with reference to women Self Help Groups (SHGs) in Tirunelveli District”. The main objective of the study was to identify the factors influencing women to become micro entrepreneurs and various business activities and to examine the problem faced by women micro entrepreneurs. Primary and secondary data were collected for the study. Primary data were collected from the respondents through interview schedule. The secondary data were collected from various website, the published journals and books related to the topic. The total number of samples was 120. The information was collected from the members of SHG and information was collected by adopting snowball sampling. Tools applied to analyse the primary data were percentage analysis, mean score analysis and one way ANOVA analysis. The study found that Government was providing maximum opportunities for the women to improve their economical status. Women could improve their entrepreneurial skills and can innovate new entrepreneurial activity by not depending on others.
Vasanthakumari (2010) had examined the study on “Entrepreneurial Skill Development among Women Entrepreneurs through SHG Linked Microenterprises: Empirical Evidence from Kerala”. The main aim of the study was to analyse the activities undertaken and the impact of micro entrepreneurship in the operational performance of the enterprises. The study has been conducted in Kerala. Microenterprises formed as women owned group enterprises and linked with SHGs in Kerala. 195 micro entrepreneurs have been selected for this study. The study used both primary and secondary data and analytical tools like percentages, paired ”t’’ test and entrepreneurship development index. In this study, random sampling method was used. Pilot study has been conducted, 15 preferably from below poverty line families, engaged in manufacturing, trade or service providing activities, with an investment ranging between Rs.1, 000/- and Rs 5 lakhs, the capacity to generate at least Rs. 1,500/- per month per member and with expected turnover ranging from Rs.10, 000/- to Rs. 5 lakhs per year. The study found that survival and growth of microenterprises depended upon the development of entrepreneurial skill among its members.

Rajamani Singh and Surjit Meitei (2010) made an attempt to Microenterprise Development under Loyalam Bank Project (A Grameen Bank Model) in Manipur. The study found that the objective of the study was to determine the role and thrust area of Loyalam Bank project as Grameen bank model for the development of microenterprise through microfinance in India and to evaluate the permanent of micro entrepreneurs before and after joining
the SHG as member where it has direct on their living standard. This study has been conducted based on primary source of information collected from 156 individual micro entrepreneurs selected by random sampling methods through questionnaire. The study has used chi-square test and secondary source were collected from Loyalam Bank Project. The study found that the SHG model adopted by Grameen bank model was very effective in the state, at the same time the income level of the individual entrepreneurs had been increased after joining the SHG. But before joining the SHG, out of the 156 respondents, 134 respondents had income below Rs.3000 p.m. and only 16 had income between Rs.3,001 to Rs.6,000 p.m. whereas after joining SHG the number of individual entrepreneurs having income below Rs.3, 000 was reduced to 72 and number of entrepreneur having income between Rs.3, 001 to Rs.6, 000 was increased to 74. This result shows that joining to the SHG increase income level of the SHGs members thus, helps in improving their socio-economic status. The study further found the maximum numbers of the entrepreneurs sold their products at their work place and local market. Out of the 156 respondents 40 per cent were selling their products at works place and 22 per cent were selling products at local market.

Dhanya (2011) study reveals that extension of credit facilities through microfinance was an important means, promotes self-employment among women. This study analyses the impact of microfinance in promoting women entrepreneurship, particularly for those with limited access to credit. Primary survey was conducted in four Grama panchayats, two each in Kasargod and
Thiruvananthapuram districts of Kerala. The identification of the microenterprises involved a multistage sample selection (district, Grama panchayat and SHGs). Analysis of survey focused on 34 enterprises (300 beneficiaries) from both the districts, with over activities like tailoring, poultry farming, earthworm compost, nuertrimix preparation, canteen, honey bee production, soap production and cattle and goat rearing. Economic impact of the scheme is analysed taking into account factors like improvement income, access to credit, change in expenditure pattern, change in asset position and standard of living of the beneficiaries. The economic impact of the scheme is important because empowerment process encompasses several mutually reinforcing factors but begins with and is supported by economic independence.

Further, this study suggests for effective implementation of entrepreneurship development programme and skill development programme for developing new enterprises. This would be identifying entrepreneurs’ getting training through an entrepreneurship development programme. The entrepreneurs will get a chance to understand the issues and acquire the technical skills needed for any enterprise activity. Only those entrepreneurs who have completed the skill development programme can avail the subsidy to start the enterprise. Access to credit is provided through thrift and credit societies and also through bank linkage of the microfinance programme.
Reji’s (2011) study examines the empowerment impact of microfinance programme of Neighborhood Groups (NHGs) in Kerala and was based on primary data collected from 200 respondents in 30 NHGs functioning in 11 Gram Panchayats in Nilambur block in Kerala. The study revealed that apart from providing savings and credit to its members, NHGs were instrumental in bringing desired social change among the members. The study found that 12 per cent of SC and ST were micro financed entrepreneurs through the NHGs enabling empowerment of its members. The ability to contribute to household income as a result of the credit access and increased income from income generating activities helped the members to get respect in their family and community as well.

Josily Samuel et al. (2011) study examines that the impact of microfinance on the rural women. The study revealed that majority of the SHG members were middle aged, married and belonging to nuclear families from backward castes. The major objectives of the study were to identify the socio-economic characteristics of SHG members; to analyse the impact of self-help groups on empowerment of members; to identify the factors contributing to the income of the SHG members and to identify the constraints and suggest suitable policy measures. The study sample was 90, selected from Dindigul district in Tamil Nadu. The well-structured interview scheduled was used for the purpose of the study. Kodaikanal Taluk was purposively selected as it gives opportunity for women to do business activities and based highest number of
SHG operating. Six villages were selected from Kodaikanal Taluk. The study found that 39 per cent of the samples were found from Scheduled caste women.

The study brings out that specifically the economic empowerment of the women through income generating activities which were taken up through SHG. The SHGs have reduced the incidence of poverty through increase in income and help the poor to build assets and thereby reduce their economic vulnerability. SHGs have enabled the households to spend more on education than non-SHG households. They have empowered women by enhancing their contribution to household income and increasing the value of their assets and enable them to have better control over decisions that affect their lives. The study suggests encouragement of SHGs members to take up income generating activities, which helped in increasing their income and the employment opportunities.

Thanga Rasu’s (2011) study revealed the penetration of women into business and their role and facts that made them to proactively take up entrepreneurship with the current business and their other activities related to current trend. The study also provides insight into the truth and myths about the role of women entrepreneurship in society as a whole and also capability /caliber of women as individual. Thus, it is considered as useful to a vast spectrum of potential women entrepreneurs, researchers, policy makers and others in understanding the entrepreneurial talent of modern women. The major objectives of the study were to study the personality and entrepreneurial characteristic of women in Erode District; to analyse the influence of various
factors on women to start business; to analyse the nature of entrepreneurial related problem faced by the women; to evaluate the nature of work and family conflict faced by the women entrepreneurs; to study the reason stated for success and the satisfaction derived by the women entrepreneurs in the study region and to evaluate the entrepreneurial potential of the educated unemployed women in the study region.

The research methodology of the study was exploratory and descriptive research. In this research, stratified sampling technique was used and the overall samples of women entrepreneurs were 179 success entrepreneurs and 309 educated women. The study found that majority of the respondent’s age were 35 years (60 per cent); 88 per cent respondent belonged to backward community, and 12 per cent of the women entrepreneur respondent belonged to scheduled caste and schedule tribes. Further, a majority of the respondents were married (85 per cent) and residing in urban (26 per cent). 61 per cent of the respondents have studied upto undergraduate degree.

Josily Samuel et al. (2011) examined the impact of microfinance on the rural women. The study revealed that a majority of the SHG members were middle aged, married, and belonging to nuclear families from backward castes. The impact analysis on the various parameters revealed that the total percentage change in income was 46 per cent, employment was 112 per cent, the asset position of members after joining the self-help group was 53 per cent and the consumption change in member household was 26 per cent. Further, investment and savings pattern of members’ households after joining the SHGs
showed that they came under high investment and savings category and the per cent change was 20 per cent and 264 per cent, respectively. The regression analysis revealed that the income of the members increased by 0.50 from one rupee investment, savings increased to Rs 4.92 and day employment increased the income by Rs.40.37. The major constraints faced by members were conflicts among group members, improper savings procedures and lack of training on skill up gradation. The study concludes that through the SHGs women were socially and economically empowered.

Gurusamy et al. (2012) study deals with women entrepreneurs in Indian textile industry. The aim of the study was to identify the scope and opportunities in the textile industry; to identify subsidies and special provisions for category of entrepreneurs belonging to schedule caste and schedule tribe women. Study indicates that interest charged to schedule caste, schedule tribe and women entrepreneurs would be provided at the rate of five per cent for a period of five years without any maximum limit and irrespective of the category of the district. Small scale industries set up by SC and ST and women entrepreneurs in advanced districts would be given investment subsidy at the rate of 15 per cent of fixed capital investment to a maximum of Rs.5 lakhs. Maximum limit of investment subsidy on fixed capital investment for small scale industries setup by the SC and ST women entrepreneurs would be Rs.6 lakhs, Rs.12 lakhs and Rs.17.50 lakhs in backward, ‘A’, ‘B’ and ‘C’ category of districts respectively.
Ondoro and Omena (2012) conducted a study on effect of microfinance service on the financial empowerment of youth in Migori country. The researcher has focused on the 339 microfinance recipient youth and 513 microfinance recipient singular young people who had gotten financing from Kenya Youth Enterprise Development Fund. Irregular and purposive examining methodologies were adopted to pick respondents from two groups. Essential information was acquired utilising a self directed pretested organised and semiorganised poll. Auxiliary information was acquired from distributed books, diary articles and reports. Examination was done utilising elucidating insights including measures of focal propensity and scattering. Chi square test was used to set up relative levels of impact. ANOVA was used to look at the impact of small scale financing on reserve funds, salary levels and speculations of the adolescent between and inside gatherings. The review demonstrated that there is no huge relationship between microfinance administrations reserve funds or venture among the adolescent in the Migori County. In any case, a beneficial outcome was uncovered of microfinance administrations on budgetary administration aptitudes. The study prescribes is that all the more preparing fundamental among the young to empower them comprehend the significance of microfinance administrations. It urges future scientists to examine the impact of the administrations on the economic strengthening among the youth over a time frame.
Varaprasad Reddy and Uma Rani Bade (2013) made a study on women empowerment through entrepreneurs in India. The main objectives of the study were to identify the indicators or parameters relating to women empowerment; to assess the effect of socio-economic environment on women entrepreneurship and to identify problems faced by the women entrepreneurs. The hypotheses of study are: there is no significant influence of the parameters of women empowerment on the success of women entrepreneurs and there is no significant influence of socio-economic factors on women entrepreneurial development. Primary data were collected by administering structured questionnaires to 150 women entrepreneurs. The selection of the sample was done by random sampling technique. The study found that nearly 70 per cent of the successful women entrepreneurs were educated. The impact of extended type of family on the performance of the enterprise was more when compared to nuclear type. Self-sustainability and contribution of family income were the major factors motivating 73 per cent of women toward entrepreneurship. 64 per cent of women were empowered mainly because of family support. Banks were considered to be the major financial contributors to women entrepreneurs. Women empowerment could be attained by gender equality and access to education and training system and nearly 34 per cent of the problems for women entrepreneurs were because of financial constraints and lack of training facilities.
Further this study recommended that lack of access to finance was the major constraint for women empowerment and marketing opportunities are to be improved for women to empower. Women entrepreneurs could also be motivated to establish cooperative groups for marketing goods. Women-friendly training system could be established to motivate women towards entrepreneurship. This study suggests enhancing women’s self-image towards entrepreneurial development, more Governmental interventions towards women empowerment policies and emphasis should be given to human resource development and supportive services for women.

**Vachya’s (2015)** study on “Microfinance Livelihood Initiatives and Women Empowerment in Selected Villages of Andhra Pradesh” is an attempt to assess the impact of microfinance on the changes in the level of income and employment of members after joining the SHGs at micro level. To fulfill the above objective, six villages in the three regions (Coastal Andhra, Rayalaseema and Telangana) of former united Andhra Pradesh were taken up for an in depth study. The major findings of the study are: (i) microfinance activities have altered the living conditions of the SHG members, (ii) these activities have also contributed to social empowerment of women.

**Gandhigram Trust (2015)** has conducted an evaluate study of SHGs promoted by Gandhigram Trust in Dindigul district. The main objective of the study was to ascertain the impact of activities undertaken by the SHGs on their member and assess the extent to which the members were economically, socially and politically empowered and identify the problems and prospects in
the functioning of SHGs. Primary data were collected from 300 samples. 75 per cent of the women were literate and the remaining 25 per cent of the members are from socially deprived section. The study found that majority of the respondents (90 per cent) have borrowed loan for three broad purpose, namely consumption, production and asset creation. Among them 80 per cent of the respondents have started micro enterprises. The study found that it increased the income level through microenterprises and women were empowered socially, economically and politically after joining the Self Help Groups.

**Conclusion and Research Gap**

Several studies have been undertaken regarding Microfinance Institutions and Inclusive Growth of Scheduled Caste and Scheduled Tribe Women Entrepreneurs. The researcher has tried to gather the relevant literature in support of the research topic and strengthening to the study. But the gathered literature were about the factors influencing the women entrepreneurs, problem faced by women entrepreneurs, status of women entrepreneurs, empowerment of women through entrepreneurs, socio-economic conditions of women entrepreneurs, empowerment of women through microfinance, credit facilities to the women entrepreneurs through microfinance institutions and bank, impact of microfinance on the rural women, microfinance financial inclusion and bringing women to the mainstream economy. Most of the studies were concentrated on the problems and prospects of women entrepreneurs in general, the development of women entrepreneurship and empowerment of women entrepreneurs. Few studies were conducted on empowerment of women
through microfinance. Besides, empowerments of women through microenterprises were also traced out by the researcher but not focusing on microfinance institutions. Many studies were conducted regarding women entrepreneurship in Tamil Nadu but no study has been carried out in order to study the impact of microfinance institutions and inclusive growth of scheduled caste and scheduled tribe women entrepreneurs in Tamil Nadu. Thus, this study is unique in nature and first of its kind as it concentrates on the microfinance institutions and inclusive growth of scheduled caste and scheduled tribe women entrepreneurs in Tamil Nadu.