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A STUDY OF SUSTAINABLE DEVELOPMENT OF SELF HELP GROUPS:A REVIEW OF LITERATURE

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Abstract:

In India, Self Help Groups are now supported by government policy and NGO intervention. These are being seen as a magic wand for all the development of poor. The concept of micro finance was introduced in India in 1992 for overcoming the existing constraints and providing adequate credit to the poor in general and the weaker section in particular by following a simple procedure. Self Help Groups are important vehicles for credit delivery to self-employed persons particularly women in rural and semi urban areas. The major spin-off of the micro-credit movement at the grassroots level has been the fact that women have used this system to come out and join a mainstream activity in the village. In many areas particularly where there has been support from NGOs or strong SHGs women have gained a voice and been able to sure this space to come out of their traditional roles into a more proactive male space.

KEY WORDS:

Sustainable, Development, Empowerment, Self-employed, Micro Finance.

INTRODUCTION:

A review of literature helps to prove uniqueness and significance of the research in hand and to determine his precise subject area. A review of literature also gives in depth knowledge related to the subject matter. It provides directions, guidance and sometime even different perceptives to look at the particular questions. It gives a proof that present study has already taken note of what they have already done and written in the concerned areas.

This article consists of research conducted in the areas of sustainable development of SHGs. Unlike studies in the corporate sector, no proper study has been reported in the areas of development of rural poor. The related studies conducted both in Maharashtra and other state of India is reviewed in this article. In order to provide a clear picture of sustainable development of SHGs, the different functional areas are studied. Also the studies on NGOs for development programs and related issues of SHG movement are taken into consideration.

The review of literature also made keeping in view the empowerment of rural poor ultimately for sustainable development. It also consists of SHGs and different schemes on various physical progress revolving fund and key activities issues associated with SHG movement. Consequently the studies presented pertain to objective. The review of research studies related to general issues related to SHG and development programs also which relates the objective of sustainable development of the SHGs and rural

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poor. The studies reviewed as a part of the present research work are placed in the following parts.

II. METHODOLOGY AND SOURCE OF DATA:

The study explores to answer such questions based on field research. The present study will analyze if how and to what extent they promote a sense of collective efforts. It will also get a sense of how prominent collective action is. To accomplish the study, this research is based on the examination of various journals, all of which are directly related to SHGs. As we believe that journals are the recourses that are most commonly used to acquire information and release new findings, conference papers, Master Theses, doctoral dissertations, text books, news reports, and unpublished working papers are excluded. Due to the youth and diversity of this area of research, journals, and thus a literature search was conducted using the various electronic databases.

III. REVIEW OF LITERATURE

Moore Karen (1998),¹ in this paper entitled "Market Oriented participatory Development in Bangladesh. The paper argues that movement towards a Microfinance system that emphasis flexibility, appropriateness of saving services and transparency of facilitating processes can strengthen the participatory nature of financial services for poor. Secondary sources and their author's research findings form the basis of this paper. The book describes how limited access to credit possess major obstacle to Rural Development and the needs of extremely poor are not frequently met without lines research questions, objectives, assumptions and discusses the various interpretation of participation, participatory development, economic, intervention and empowerment and establishes theoretical groundwork traces the evolution of Bangladesh. Rural advancement Committee's pilot saving projects, its limitation, project monitoring and evaluation issues are introduced. The paper concludes that flexibility and appropriateness can improve the poor people access to Microfinance institutions and that these are potentially positive effects from institutionalized Savings mobilization on the poor people, decision making opportunities, ownership, self-reliance making opportunities, ownership, self-reliance and empowerment.

Smita Premchander (2001),² this paper title is MYRADA Facilitating Access to credit: Turning Points- Plan Partners and sustainable Livelihoods. The paper exposes the livelihood issues in Mysore Resettlement and Development Agency project Area, constraints faced by the people in achieving sustainable livelihood in the study area, narrates the case studies of two individual women analyzing the impact of Credit on their livelihood and examines the strategies for sustainable livelihood for the poor through credit. The paper extols that the saving and affinity Group (SAG) approach must begin with what people have (thrift and affinity) rather than what they do not. It must build on their strength and their ability to envision a better future for themselves, their facilities and the community as a whole.

MYRAD (2007),³ MYRADA is one of the largest NGOs with 487 Staff working directly with 1.5 million poor people has displayed the "History and spread of the self-help affinity groups movement in India" on its website. The article has been focusing, on the historical back ground and spread of Self - Help group movement in India. The article is divided into these parts. The first part of phase highlights on the period of 1985 - 2000 and steps taken by the NABARD, RBI, NGOs and by multilateral agencies particularly IFAD.

Godquin Marie (2004),⁴ "Microfinance Repayment Performance in Bangladesh: How to improve the allocation of loans by MFIs". The aim of this article is to produce a comprehensive analysis of the performance of Microfinance Institution (MFIs) in terms of repayment. The paper focuses its analysis on the impact of group lending, non - financial services and dynamic incentives on repayment performance. In the second section of the paper, a comparative analysis of the determinates of the repayment performance and loan size is carried out in order to make policy recommendations on the allocation of loans by MFIs.

Hyman Eric L. and Kirk deardan,⁵ this paper entitled "Comprehensive Impact Assessment Systems for Non-Governmental Organizations providing business development services to micro enterprises in developing countries". It compares their approaches to data collection and analysis, uses and types of impact indicators. While the diversity of micro enterprise programs makes it difficult to specify a standardized form of Indicators, the paper provides examples of the questions that can be addressed and suggests the ways in which such systems could be improved. The analysis followed a survey of the 41 Non-Governmental Organizations based in the United states/Canada belonging to the small Enterprise Education and Promotion network (SEPPN) and consultation with AIMS projects staff and USAID. The four Organizations whose comprehensive Impact Assessment System were reviewed were a) Appropriate Technology International (ATI), b) Freedom from Hunger (FFH), c) Save the children (SC) and d) Techoserve (TNS).

Kalpana. K. (2004),⁶Microfinance: The Silver Bullet for Empowerment: Some questions Madras Institute of Development Studies. The Central focus of this paper is a critical reading of literature documenting the experiences; the paper begins by delineating the global institutional context and the forces underpinning the emergence of women as the major actors in and targets of these programs. The use of the "empowerment" impact of processes of loan use and outcome of loan access for women, the assumed linear relationship between microcredit access and empowerment outcomes – these are some of their issues critically reviewed in the paper. Besides, - help group based Microfinance revisiting some of the issues in the light of the Indian self-help group based Microfinance experience, the paper suggests other research questions worthy of examination in the Indian context.

Mahendrarvarman P. (2005),⁷"Impact of Self Help Groups on Formal Banking Habits". Deposits are foundations upon which Banks thrive and grow. The Twin objectives of a commercial bank, i.e. acquiring deposits and advancing credit cannot be attained without good banking habits of the people. Therefore people's banking habits seem to be a major factor that affects sustainability of the banks concerned. In micro financing in India, SHGs which came into existence as informal organizations are linked to banks and its members are mainly women. This paper makes a modest attempt to examine whether there is any association between the growth of SHGs and the increase in female bank deposit accounts and whether SHGs have a tendency to influence account holding in formal banks. In this process the paper tries to trace the socio- economic factors that determine deposit and credit account holdings in formal banks among individuals and households. The major sources of secondary data used for analyzing the trends of various banking variables among the states include publications of RBI, NABARD and all Census and Center for Monitoring Indian Economy (CMIE).

Nair, Tara S. (2005),⁸"The Transforming World of Indian Microfinance" Up scaling the provision of Microfinance on the strength of its performance measured primarily in terms of the repayment rates and financial sustainability indicators of a handful of Microfinance Institutions and without a serious reconsideration of certain vital development issues may prove in the long run to be an imprudent development strategy. Any effort at up-scaling thus needs to be viewed with caution as it could actually lead to increased failures and credit indiscipline in the field. In the meanwhile globally, there is a visible trend of the commercialization of Microfinance, with NGOs transforming themselves into regulated financial institutions or non-banking companies and commercial banks entering the business of Microfinance.

Namboodiri N. V. and Shiyani R. L. (2001),⁹"Potential Role of Self Help Groups in Rural Financial Deepening". The study examines the potential role of self Help Groups in terms of reach, linkage with Banks for saving and credit for the weaker Section of the rural households. The study is based on secondary as well as primary data. A typical model of Self-Help- Groups promoted by Non-Governmental organizations and banks and a brief account of the financial linkage of Self Help Groups with banks are provided followed by the examination of the basic characteristics, coverage and financial Deepening of Self Help Groups formed by Panchmahal Vadodara Grameen Bank (PVGB) in Gujarat as a Self Help Promoting institution (SHPI) as well as those promoted by the Non- Governmental Organizations in their areas of operation. Finally the paper examines the strength, weaknesses, opportunities and threats of Self Help Groups in both micro saving and micro credit.

Reinhard, Dirk (2006),¹⁰"Never Too Late." Development and co-operation". Micro insurance offers poor people protection from risks, such as destitution caused by illness. Despite widespread doubt among experts the insurance industry can serve poor people- even if they have irregular income. The paper narrates various micro insurance models. The partner/agent model, b co-operative, community models and direct sales model and point's .out that though there are specific challenges, case studies of various models have shown that they can be overcome.

Shylendra H. S. (2005),¹¹"Good Governance and poverty Alleviation Programs A Critical – Analysis of SGSY" This article attempts to examine the flagship poverty alleviation scheme. SGSY against the background of emerging policies aimed at 'good governance'. How far the SGSY, a major program of India for poverty alleviation has been able to incorporate 'good governance' principles like participation of people, involvement of civil society and sound project formulation is the main focus of this article. The governance approach indicated in SGSY is supposed to be significantly different from earlier poverty alleviation programs in India, especially the integrated development program (IRDP), moreover the article based on a review of some available studies indicates that SGSY is implemented in a very deterministic and top down manner, ignoring the participatory approach that is envisaged in the design. In the whole process right from identification of participants to supporting them, to developing sustainable income generation enterprise, the SGSY is best with problems like faulty selection, improper identification of viable schemes sidelining of capacity building and above all lack of integration among different agencies involved in implementation of the scheme. The article concludes that 'good governance' for poverty alleviation programs seems to be more of rhetoric than reality

Vishwanathan K. S. (1993),¹² “Self Help Groups–Their Role in Irrigation Development and Management”. It has been highlighted in the irrigation policy that optimum resource use and efficiency of the irrigation system is necessary for which the water user organization will be involved by the government particularly in medium and major irrigation systems. However this could as well be applicable in the minor irrigation systems both under private and public investment portfolio. In this context the possible role Self-Help Groups could play in irrigation management is examined in this paper. Self Help Groups will be successful in minor irrigation project (both surface water and ground water projects) in water management. The author explores the possibility that technological up gradation in bringing drip irrigation and modernization in bringing drip irrigation and modernization of tube wells is possible with the participatory approach. The various issues in irrigation sector could be tackled through Self Help Groups.

Harper Malcolm,¹³ “Indian Self Help Groups and Bangladesh Grameen Bank Groups: A comparative Analysis”. The paper by Malcolm Harper is first in the series of discussion papers to generate a debate on the role, limits and efficiency of the two major approaches of microfinance intermediation that are realized through the Grameen and the Self Help Groups (SHG) systems especially within the prevailing Socio-economic context in India. The paper corrects the misapprehension that Bangladesh group system which was started in 1976 by the Grameen Bank is the main and the only group system. Both the Grameen system and Indian self Help Group system have their own advantages and disadvantages. The paper describes and explains each system and compares them by the standards of 'sustainability', 'outreach' and 'impact' on the poor and tries to assess the extent to which each of the system can be adopted by the existing institutions. The author concludes that SHGs are probably less likely to include poorer people than Grameen groups.

Sudha Rani K., Uma Devi D. and Surendra G. (2002),¹⁴ this paper titled “Self Help Groups, Micro Credit and Empowerment”. The paper measures the empowerment level of members of women self Help Groups formed in slum areas of Tirupathi. A specially designed rating Scale was administered to the 50 Self Help Groups selected for the study to collect the responses. The study has found out the difference in the self confidence level of women, participation of women in house management before and after participation in the Self Help Groups and also tries to find out the change in the interaction styles of women with development departments officials before and after participation in the Self Help Groups. 't' tests have been applied to find out the difference in the empowerment of women before and after participation. The study reports that the extent of participation in all the aspects, namely, self-confidence, house-management, health and sanitation, leadership qualities, economic activities and decision making power increased with the period of participation.

Namsivayam N. (2007),¹⁵ the present article was on “The role of NGOs in Tamilnadu's Self-help movement”. In this article the NGOs and SHGs had built –up a successful partnership. NGOs in partnership with various stake holders have been facilitating the bank linkage program to enable the banking system. At present this unique initiative in India of more than 3,024 partners has blossomed into the fastest growing and the most cost effective micro finance initiative in the world.

Abhimanyu Londhe (2010),¹⁶ the article “Threats in marketing of SHGs movement.” was published in well reputed Marathi newspaper. In this article news writer mostly focused on the emerging challenges to the SHGs movement in Konkan region (M.S.). At present Konkan region has 6500 SHGs under the (BPL) SGSY scheme including 17000 women beneficiaries with investment of Rs. 39 cores. In the region women Swarozagaries are producing agro based products especially Konkan strap, milk product, fisheries product and mango pulps. These products have not proper market place or selling centers are developed by the state govt. . . . Even, minister of rural development visited to special exhibition camp held at Ratnagiri. They really appreciate about the product and its quality. But, he had totally denied about the problems faced by the SHGs movement. He also appeal that, SHGs movement should concentrate over quality and durability of the product. It is observed that, the govt. machinery and the state minister also deliberately, neglected the key- problems of the SHGs movement

IV. CONCLUSION

In all these studies, social empowerment has been considered the process of individual development of the rural poor. It can be seen that has been conducted on training and skill development programs of NGOs, bank linkage programs, NABARDs activities etc. But no specific study covering the functional areas like manufacturing, marketing, finance and human resource development is conducted for the sustainable development of SHGs.

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