CHAPTER I

REVIEW OF LITERATURE
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1.1 INTRODUCTION

The chapter reviews the various literatures available on the empowerment of women through SHG-Bank Linkage and other financial schemes of the Banks. The literature on the subject is very vast and it has been limited to review some important studies to trace the core issues. On the basis of the identified issues, objectives were drawn and a fresh study was initiated in the study. There have been some studies analyzing the SHGs in general and their contribution for the empowerment of rural women in particular. But there are limited studies on empowerment of women through Bank's financial schemes. Review of such studies would be relevant for the proposed study.

1.2 LITERARY REVIEW

A brief review of past literature pertaining to the empowerment of women is presented in this Chapter. In the last century, the terms 'women empowerment', 'women welfare' and 'gender justice' have come in to lime light in the socio-economic and political development analysis of both developed and developing nations. The 20th century's progress towards equality regardless of gender, race, religion, ethnicity or age was propelled by social movements. One of the most significant aspects has been the movement for women's rights. The issue of empowerment of women became more significant as women constitute half of the population and unfortunately they were a discriminated lot.

The study of World Bank (1978) found that volume of migration of women has been increasing more rapidly than that of males of the last several decades. It is also observed that employment among women from the lower middle class and poor socio-economic groups is more common than it is among the elite. The women labourers engaged in the unorganized segment suffer from disabilities, and exploitation is of much higher magnitude than those employed in organized sector.

Manimekalai and Rajendran (1993) in their study concluded that, the DWCRA were helping and promoting self-employment among the rural women who are below the poverty line and helping them in organizing the beneficiaries in group activities and promotes economic and social self-reliance.
Hemalatha Prasad (1995) in his study identified certain common factors, for success of self-help groups, like homogeneity of the group in terms of caste, occupation, and locality made the group more cohesive and assured regular income from the scheme. Effective and dynamic leadership, awareness about the repayment procedures and consequences of the non-repayment influenced their repayment behavior. The study identified that systematic planning for skill training, raw material supply, quality control and marketing support from officials were the key factors for the effective management of the program.

Karl (1995) studied the role of empowerment of women on decision making and concluded that empowerment as a multifaceted process, involving the pooling of resources to achieve collective strength and countervailing power and entailing the improvement in technical skill, administrative, managerial and planning capacities and on analytical reflective abilities of local women.

Pillai (1995), says "Women empowerment is an active, multi dimensional process which enables women to realize their full identity and powers in all spheres of life. Power is not a commodity to be transacted; nor can it be given away as aims". Power has to be acquired and once acquired it needs to be exercised, sustained and preserved.

Usha Narayana (1996) opines that 73rd Constitutional Amendment involves the participation of women as voters, women as members of political parties and women as candidates to contest. Women elected members of Panchayat Raj institutions and stressed that the provisions of resignation are a guarantee for their empowerment.

Swetha Misra (1997) examined the participation of women in politics. Political participation of women was severely limited due to various traditional factors such as caste and religion. She concludes that, women are getting more opportunities to play a vital role at all levels, including village level politics and that women have to utilize these opportunities to change the decision making process.

Kumar (1997) made study of Self-Help Group in the Tirupati, Andhra Pradesh and concluded that the groups were mostly homogeneous in terms of their socio-economic back ground. This homogeneity contributed to the cohesiveness and
solidarity of the members. The saving level was reasonably satisfactory because of low interest rates charged by the banks and the revolving fund. However, some groups become passive and defunct. The reasons for this were irregularity in repayment of loan, non adherence to the norms set by the group and lack of mutual trust and confidence among group members.

Rama Lakshmi (1998) found that the DWCRA groups take up traditional income generating activities like dairy, agriculture related activities like sericulture. Silk worm rearing and silk weaning, grafting of fruit plants, managing orchards, fish rendering, prawn processing crop production on leased lands managing tractors, litters and other agricultural equipment, sheep and goat rearing, small business, vending of agricultural production, flowers, fruits, vegetables, artisan activities like pottery, toy making, leather work, bakery products and she concluded that DWCRA groups evolve from consumption phase to income generation phase on a lower scale to income generation phase on a higher scale.

Manimekalai (1998) attempted a study of rural women beneficiaries of DWCRA scheme, in Pudukottai district of Tamilnadu. The credit for this achievement goes to a unique scheme in which quarry lease to the DWCRA been found to be higher than the other groups. This group not only earns more than the private contractor and co-operative groups but also enjoys the facility of being the masters. The members felt that thanks to economic independence obtained through DWCRA, they could spend more on nutritious food, clothing and on children's health and education.

Sivasubramanian (1999) studies empowerment of poor and felt that social mobilization is the possible process for eradicating poverty. Poverty can be effectively eradicated only when the poor start contributing to the growth process through their active involvement. Voluntary organizations community - based Self-Help Groups and local government organizations have a substantial to play in eradicating poverty.
Annapurna (2000) in her study analyzed the role of women in economic development. With the spread of education, training and technology, their mobility has been increased and they are coming out of their shells to do different works to raise the living standards of their families.

Nagayya (2000) found that non-governmental Organizations and Voluntary Agencies like Rashtriya Manila Kosh and Rashtriya Grameen Vikas Nidhi SIDBI has established a foundation for Micro Credit and NABARD has set up a Micro finance Development Fund.

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

Manimekalei and Rajeswari (2000) examined the empowerment of women through rural micro enterprises in Tiruchinapalli district of Tamilnadu. The majority of the women are married and engaged in petty business with the rest distributed across processing, production and service units. Most of them had primary education, while a few engaged in production units and services, and the majority of them engaged in petty business are illiterates. The dominant problem reported by them was shortage of capital, because the sample groups received loans only under SHG through banks. Further, the service units performed better and helped to repay the loan on time, whereas the production units not only failed to generate their own capital but also affected loan repayment.

Datta and Raman (2001) study found that SHGs are successful due to social cohesion among the members, springing not only from their diverse background of knowledge base, skills, occupations and income levels, also the successful completion of loan repayment.

Madheswaran and Dharmadhikary (2001) in their study observed that the triumph of SHGs lending are attributable not only to peer monitoring but also to other factors such as lending for non-productive purposes and inculcating saving among group members.
Devasia and Leelamma (2001) in their study on Self-Help Groups felt that women's empowerment is an attitudinal and motivational one besides financial issue.

Devaki Jain (2002) has conducted studies on "changing patterns of rural women's participation in decision making". She has found that women's participation in formal political organization has been increasing in rural areas since 1995.

Suneetha (2002) attempted a study of rural poor covered by DWCR in Kumool district of Andhra Pradesh. The study revealed that DWCRA members obtained an incremental income. With regard to matters like sending girl children to school, immunization of children, and acceptance of small family norms and preventing Social evils like manufacture of illicit liquor, DWCRA members were better off than non-DWCRA members and also they could spend more on nutritious food, clothing and on children's health and education.

Sahoo (2002) conducted a study on SHG and tribal women empowerment in Nanded District of Maharashtra. Most of the SHG members were involved in economic activities like goat-keeping, rearing poultry, collecting forest products, maintaining live-stock. The study found an increased awareness among the SHG women on literacy and continuing education, sanitation and health care, more freedom in mobility inside and outside village, financial and service support for self-employment, adoption of small family norm etc. Some of them have started working as Sanghatika and Saga Sanghatika which showed their leadership qualities, improvement in communication skill and building self-confidence.

Narayana Reddy (2002) made an attempt on how Self-Help Groups promoted women empowerment. The study describes that thrift and credit was strategic entry point for the action research intervention in Ranga Reddy District of Andhra Pradesh. The study concluded that organization of Self-Help Groups and development of their institutional and managerial capacity is an imperative element, the DRDA had come forward to extend loans for income-generating activities. Women interacted with external agencies and professionals with
confidence, which was evidence of improvement of most social skills and approachability.

Sarada Devi and Rayalu (2002) in their study focused on factors functioning on women empowerment in urban areas. It identifies various aspects related to the empowerment of women and assesses the difference between working and non-working women in terms of women's empowerment. The study shows that working women perceived more problems and non-working women faced problems due to powerlessness. Working and non-working women felt that their personal freedom was their first priority in power persuasion.

Rama Krishna and Krishna Murthy (2003) analyzed the role of SHGs in empowering rural poor in Visakhapatnam district of Andhra Pradesh. The study revealed that SHG concept was successful to some extent in achieving social empowerment, economic progress through ensuring improved access to institutional credit. The results obtained from the study also corroborate the theory of peer monitoring but to other factors such as rotation of savings by group members, lending for consumption. SHGs have a positive impact on beneficiaries especially in respect of social and economic empowerment such as improvement in participation in the development programs, ability to meet government officials, awareness of property rights, improving decision-making, improving marketing, communication skills and building self-confidence which have a positive impact on the living standards of beneficiaries.

Kantor, Paula (2003) study suggested that policy makers must focus on improving women's income earning potential in home-based production in combination with implementing strategies to increase women's ability to control that income. The study concludes that welfare programmes must pay attention to both the market and the households in order to promote women entrepreneurs.

Narayanaswamy and Monivel and Basker (2003) studied post manufacturing activity of Self-Help Group activity. They concluded that linkage between the SHG production and the cooperate societies which have to take marketing responsibilities are very weak. This in turn affected the very purpose of the
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Rangi (2004) study revealed that the majority of the respondents of the SHGs was in the young and educated though the level of education was not very high. The study found that additional income generated through SHGs provided big moral support to the women and also provided the will to bring new changes in the rural economy of the state.

Rimjhim Mousumi Das (2004) in his study stated that micro finance through Self-Help Groups has now become a modern economical weapon for the poor to fight against poverty. Many big and small institutions are taking part in this revolution of micro finance vigorously. Still it has a long way to become successful, many programs from ‘Garebi Hatao’. IRDP started by the government enthusiastically was not able to achieve its objectives. The reason behind this is poor follow up lack of management and participation from the Government as well as people. No program can ever get its ultimate result unless and until there is co-ordination and cooperation between the government and the beneficiaries.

Nirmala, et. al. (2004) in their study recommended, the SHG group should also be provided with institutional support, like training, marketing and information on available latest technology. They should also be strictly made to utilize the Self-Help Groups credits for productive purposes alone. Further, training, relating to the activity chosen should be imparted.

Sunder Raj (2004) in his article on SHGs and women's empowerment has focused on the conceptual framework of the self help as a tool for empowerment. The observation that SHGs contributes significantly to the overall development of
women in rural areas is strengthened and the various aspects of rural life where the empowered women can contribute.

Malhotra (2004) in her book has examined how women entrepreneurs affect the global economy, why women start business, how women’s business associations promote entrepreneurs, and to what extent women contribute to international trade. It explores potential of micro-finance programs for empowering and employing women and also discusses the opportunities and challenges of using micro-finance to tackle the feminisation of poverty. According to her, the micro-finance programs are aimed to increase women’s income levels and control over income leading to greater levels of economic independence. They enable women’s access to networks and markets, access to information and possibilities for development of other social and political role. They also enhance perceptions of women’s contribution to household income and family welfare, increasing women’s participation in household decisions about expenditure and other issues leading to greater expenditure on women’s welfare.

Manimekalai (2004) in his article commented that to run the income generating activities successfully the SHGs must get the help of NGOs. The bank officials should counsel and guide the women in selecting and implementing profitable income generating activities. He remarked that the formation of SHGs have boosted the self-image and confidence of rural women.

Padmavathi (2004) in her study observed that not a single women had permanent assets like houses, land for house sites and gold on their names, she analyzed the so many demerits of DWCRA programme.

Sahu and Tripathy (2005), in their book views that 70 per cent of world’s poor are women. Access of poor to banking services is important not only for poverty alleviation but also for optimising their contribution to the growth of regional as well as the national economy. Self Help Groups (SHGs) have emerged as the most vital instrument in the process of participatory development and women empowerment. The rural women are the marginalized groups in the society because of socio-economic constraints. They remain backward and lower position of the social hierarchical ladder. They can lift themselves from the morass of poverty and stagnation through micro finance and formation of Self-Help Groups.
Chandramani (2005) in his study on self-help groups for empowerment of rural women revealed that women’s development is directly related to national development. The effective management and development of interest, skills, and other potentialities are of paramount importance. It could be well ascertained that women’s development could be achieved by empowerment which there by enables women to be the agents of social change organizational behaviour is the key to women’s empowerment. Involvement of women is essential in all stages of economic and social activities.

Chitra Ramachandran (2005) conducted a study on SHG leaders of Madurai district in Tamilnadu with a view to understanding the impact of micro-enterprises on the quality of life of the women which was measured in terms of their living standards. She observed that most of the women in micro-enterprises wanted to reduce poverty and to share their family responsibilities. The survey demonstrated that quality of life of the rural women had substantially increased the objective of the establishment of the micro-enterprises successfully.

Gangaiah, et. al. (2006) in their study opined that the emerging changes in the values and attitudes of the members of the Self-help groups are a clear manifestation of socio-economic empowerment intervention yielding relatively quicker results. The socio-economic programs reinforce each other and promote all-round development of the children, the women, the households and the communities.

Abdul Raheem and Yasmeen Sultana (2007) in their study stated that the Self-Help Group (SHG) models, women are responsible citizens of the country achieving social and economic status. In all stages of economic and social activities, involvement of women has given added significance to them. Women led SHGs in many parts of country have achieved success in bringing the women to the mainstream of decision making. The Self-Help Group (SHG) in our country has become a source of inspiration for women’s welfare. Nowadays formation of SHG is a viable alternative to achieve the objectives of rural development and to get community participation in all rural development programs. SHG is also available organized set up to disburse
micro credit to the rural women and encouraging them to enter into entrepreneurial activities.

Ganesamurthy (2007) in his study stated that majority of the women continues to be confined to micro, small-scale enterprises in spite of efforts made toward economic empowerment of women.

Baby Sarojini (2009) attempted a study on "Women Development-role of Self-Help Groups: An analytical study on women SHG members in East Godavari District of Andhra Pradesh". The objectives of the study are, to assess the process of women participation in SHGs, to understand the factors responsible for facilitating sustainable interest of women to engage themselves with the SHGs, the impact of SHGs movement on socio-Economic aspects pertaining to women, to derive important policy issues pertaining to SHGs movement and to facilitate sustainable development of women.

Tanomyee Banerjee (2009) in his study found that women income have been increased after joining SHGs. This resulted in increase in food as well as non-food expenditure and also resulted in increased monthly savings.

Purna Chandra Parida and Anushree Sinha(2010) in their paper on "Performance and Sustainability of Self-Help Groups in India: A Gender Perspective", expressed that the existing literature on SHG bank linkage programs portrays them as an effective tool being used in various countries to approach a range of socio-economic issues. This paper explores the performance and sustainability of this type of program in India at the group level. Because income-generating activities and other characteristics vary with the gender composition of SHGs, their performance and sustainability vary. The analysis in this study is based on data from a survey carried out in six states in India. Overall, the performance analysis reveals that all-female SHGs perform best. The female SHGs are doing particularly well in terms of recovery of loans and per capita saving. The econometrics results indicate that only all-female SHGs are sustainable. The factors that determine the sustainability include recovery of loans, per capita savings, and linkage with an SHG federation.
Agarwal (2010) in the paper on women entrepreneurship has highlighted the growing importance of women entrepreneurship. With globalization, industrialization, women also entering into entrepreneurial world. This paper discusses the status of women entrepreneurship, their raising paths in the recent decades and also the barriers faced by women. It also discusses the schemes and programs by the government to improve their status.

Sarkar (2010), mainly emphasized the role of women, natural resources environment, and livelihood diversity, in his study area. Rural poor engage in a wide range of small scale or micro enterprises in addition to on-farm activities. As the pressure on natural resources increases, the significance of off-farm activities also increases and expanding the scope for such activities also.

Sharma, et.al. (2010), in the research paper argued that the gender empowerment measure is an incomplete and biased index on women's empowerment, which measures inequality among the most educated and economically advantaged and fails to include important and non-economic dimensions of decision-making power both at the household level and over women's bodies and sexuality.

Singh and Biswas (2010) presented an overview of changing scenario of women empowerment in India's Five Year Plans towards women's sustainability in global era. They focused about the changing scenario of Indian women in today's contemporary world comparing from the First Five Year Plan to Tenth Five Year Plan. There are several articles in Indian Constitution which are focused on women empowerment. The paper focuses on the 11th Five year plan approach to gender equality and its futuristic vision towards women's sustainability.

Rao (2010) has made an attempt to review the problems of women entrepreneurship development. He is of the opinion that developing entrepreneurship will empower the women entrepreneurs and successful running of the micro economic enterprises.

Singh and Kumar (2010) in their joint paper on women empowerment discourse in India have reviewed the different approaches of women empowerment and have the gender perspective in development discourse. They are of the view that forces have been paradigm shift in women development in India with major emphasis
on the empowerment and enhancing capabilities. They further stated that different programs have schemes have been implemented for the empowerment of women however; the especially allocation has been reported to be grossly inadequate in view of the growing empowerments of women empowerment.

Savitha Balasubramanian (2012) appraised in the research paper that the women face discrimination in most societies. The Microfinance movement was started with the objective of empowering women. The SHGs have played a very crucial role in the delivery of microcredit in India. They have emerged as support groups in enhancing women’s ability in facing all kinds of problems in their domestic environment. Besides the availability of microcredit to these members from banks, the microfinance institutions brings about a change in their household welfare and makes a significant impact on their socio economic status and their empowerment. In India, the state of Andhra Pradesh is leading as far the microfinance movement is concerned. The present research paper compares the role of SHGs in these two states in bringing about social empowerment and also determining the factors which contribute to the socio economic status of these members.

Dr. Sheetal Sharma (2015) in the research paper “Gender equality and Women Empowerment” expresses that the success of programs and policies for gender equality and empowerment of women is contingent upon a large number of actors and factors. It involves commitment on part of actors at all the levels, from the leaders, bureaucrats, communities, families, to the individuals concerned. A large number of dimensions such as prevalent norms, traditions, language, religion, meanings, identities and cultural practices are crucial in determining content and intent of programs and policies for empowerment of women.

Dr. K.Baby (2015) in her research paper on “Education and Empowerment” opined that Educational attainment and economic participation are the key constituents in ensuring the empowerment of women. Educational attainment is essential for empowering women in all spheres of society, for without education of comparable quality and content given to boys and men, updated with existing knowledge and relevant to current needs, women will be able to have access to well-paid formal sector jobs and advance with men. The economic empowerment of
women is a vital element of strong economic growth in any country. Empowering women enhances their ability to influence changes and to create a better society.

P Srivatsa (2015) in his research paper on “Girl Child Issues: Need to ensure Stringent Policies” expresses that Girl children are the most vulnerable section of society. They are physically, mentally and socially immature and depend on others for survival. The vulnerability and dependency has been a matter of universal concern. Empowering girl child needs to be incorporated as one of the important agenda in political dialogue and policy discussion. Real empowerment of girl child and women can only happen if we redefine the status and role of women in the country and that can make a big difference.

Dr. Sheethal Sharma (2015) in her research paper on “Girl Child: Educate to Empower” opines that a holistic approach towards empowerment of girls and women is desirable in order to achieve concrete results. The new strategies and initiatives must include various tools of social empowerment of women such as right and access to education, health care, adequate nutrition, right to property and access to equal opportunities, legal and institutional mechanism to help women in need, access to media and finally dispute redressal mechanism. Education leads to greater control over their lives and choices.

Dr. Mahi Pal (2015) in his research paper “Panchayat Raj and Women” expresses that even after more than six decades of planning in India women are far below their male counterparts because they have not been involved as participants and decision-makers in development. For a meaningful exercise of women’s development plan a sound data base, more resources and assertiveness on the part of women are important. Involvement of NGOs and professionals are also important components for strengthening the processes of women’s empowerment under Panchayat Raj System.

Dr. Bama Ganguli (2015) in her research paper “Empowering Women” opines that the new scheme launched by Government of India “Beti Bachavo Beti Padhavo” is mainly focused on sensitization of the people of this country towards the concerns of the girl child and women. Women cannot be empowered until and unless, holistic
step is taken right from the birth and government's present endeavour will definitely bring some change in the gender disparity and will help women to come forward in the race of development.

Nirendra Dev (2015) opines in the research paper “Rural Employment – Women on the Move” that rural women in India has changed a lot and still changing fast. Ministry of Rural Development, National Rural Livelihood Mission, MGNREGA, Handloom and Handicrafts and other departments of Government of India are playing major role in rural women employment. Women are the major agricultural work force. In a developmental economy, especially in sensitive subjects like women employment and that too in multi cultural country like ours, a uniform policy cannot be best mechanism to implement, and there should be change in policies of the Government.

Dev Nathan (2015), in his research paper “Skill Development of Women: Enabling Factors” expresses that in order to promote skilling of women, it is necessary to deal with three factors that inhibit it: the lack of publicly provided child care that prevents women from remaining in the labour force during child bearing years, the extra expense that particular employers incur when they employ women and lack of safety of women travelling in public spaces, particularly at night.

Thus, the above studies revealed that though there are failures in some areas, for the empowerment of the women, Bank’s financial schemes are worth useful in empowering women. The overall review of literature demonstrates that there is paucity of empirical data on women empowerment and its impact on socio-economic status of women.

JUSTIFICATION OF THE STUDY:

There are several studies regarding the empowerment of women. Most of the researchers concentrated mainly on SHG Programs, Health, etc. But there is no study on empowerment of women through nationalized banks' financial schemes. Banks are extending loans to women borrowers under different schemes to various categories of women in the society, other than SHG finance. Banks have introduced special schemes exclusively for women, to improve their status, by providing loans under different schemes.
The Andhra Bank financial schemes to women are popular in Chittoor district as the borrowers under different credit programs are more in Chittoor district in Rayalaseema Region of Andhra Pradesh. For empowerment of women, providing finance alone is not only enough, but proper observation has to be made to see how far the credit extended is properly utilized, and how far the borrower’s income level and standard of living is improved.

Andhra Bank has initiated Andhra Bank Institute of Rural Development in Tirupati to provide skill development and training promotion among women on various activities like dairying, tailoring, fashion designing, mobile repair, computer software training to rural women in Chittoor District. Many of the women trainees were well settled in life through these training programs by startups of self employment units.

Until now, research is not concentrated on level of settlement of women after obtaining loans, and impact of loans on socio-economic transition of borrower families. The researcher in the present study made sincere effort to fill this gap as far as possible by including all the above aspects.

The study is mainly focused on empowerment of women through different financial schemes of Andhra Bank in Chittoor district of Andhra Pradesh focusing on change in standard of living and borrower satisfaction.