Chapter — 1

INTRODUCTION
1.1. INTRODUCTION

India has made rapid strides in economic development since independence. The Growing population in India is often regarded as an impediment to the growth process, particularly in terms of providing the fruits of the economic development to the people. On the other hand, India can be proud of being one of the largest democracies, having the third largest technical and scientific man power in the world. It is increasingly being realized that optimizing human resources is a vital element in the growth of a nation’s economy and new initiatives are being taken for managing this resource. Women constitute a valuable section of our population and harnessing the full potential of this resource is a challenging task and needs a comprehensive planning and development.

Women have been participating in key areas of production such as agriculture, industries in large number traditionally. But their participation has been confined to areas demanding low skills and low wages and with inadequate scope for upward mobility. This is largely due to illiteracy of women, coupled with inadequate access to training and resources. Education is the basic ingredient for any developing society and has to be viewed as a backbone for human resources development. Education is a powerful instrument which helps in creating a society consisting of individuals who can respond to future challenges.
Gandhiji said that woman was the embodiment of love, service and sacrifice. She slaved for and served and sacrificed for her family all her life. She was a symbol of ahimsa. If she could extend her concern from her family to society and thus enlarge her family circle, she would cease to be a slave and become a social worker. The majority of women in India are still illiterate. According to the 1901 census report less than 3 percent of women could read and write. The 1981 census showed that in 80 years their number had increased, but more than 75% women of India were still illiterate. In the rural areas the percentage of illiterate women was even higher. In several states like Uttar Pradesh, Bihar, Orissa, Madhya Pradesh, Rajasthan, Haryana and Jammu and Kashmir, the literacy rate was much lower than the national literacy rate, going as low as ten percent and in some rural areas even lower than that. According to the preliminary figures of the 1991 census, the literacy rate has gone up by about 10 percent but the additional numbers of illiterate women as well as of men has greatly increased (Nayar, 1998). Herculean efforts will have to be made to ensure that all women become literate and are enabled to participate in new technology to add to the productive force of the nation. It is well known that most women make sincere and dedicated works and are good producers. Today, women are active partners in the development of the country and work for it. In fact, women constitute a vital part of the work force in any business establishment and even in industries.
In order to enable women to play a growing and important role in increasing national productivity and to become partners in the development of free India, women have to be educated and inspired properly. Education and employment will enable women to enhance their awareness and thereby by skills which influence to equip themselves as an important input element for any productive purpose. Women are to be viewed as direct beneficiaries, participants and target groups and execute various programmes to attain the goal of women development.

1.2. FINANCIAL REQUIREMENTS OF RURAL POOR WOMEN IN INDIA

The information, resources, skills and technology base of the poor are very weak and the scales of their operation, irrespective of the economic activity pursued by them are, therefore, small. Their credit needs arise due to growing family size, societal obligations, for example, expense on marriages and deaths, medical treatment, and to bear market and climatic uncertainties. The need to expand or diversify operations places tremendous strain on the existing family income, which is barely adequate to meet routine production and consumption requirements. In times of such emergencies, there are no credit institutions to fall back upon and they are forced to rely on credit supplied by bigger land lords, traders and money-lenders at high rates of interest. This is not withstanding against the threats of losing their means of production, indebtedness and sometimes even bondedness – an indication of their struggle to survive against all odds.
The fact that they are generally able to repay their high interest loans only exemplifies their tremendous risk bearing capacity, exceptional ability to optimize on their frugal resources, the ‘real’ potential of their meagre income generation and the possibilities of mobilizing ‘tiny’ savings.

The primary objective of the ‘informal’ money-lender is to set up an economic relationship with such terms and conditions that the borrower is squeezed for repayment and if the income situation worsens, the supply of cash is tightened and interest rates (representing higher risk cost) are raised. The terms of further loans are set such that the borrower is never able to repay the principal and as a result loses the collateral, making him ready for another loan to service the ‘eternal debt’. As financial institutions do not cater for consumption loans for the poor, this market has been controlled by money-lenders.

However, financial institutions have not entered this particular credit market for certain reasons. The existing framework of rules/guidelines do not permit meeting such requirements. Also, branches cannot directly supervise or service borrowers in vast, scattered areas because:

- Staff is limited.
- The staff is not ‘oriented’ to such ‘marginal’ operations.
- Their functional style is not cost-beneficial for generating ‘viable operations.’
- There is too much work involved (documentation, follow-up visits for monitoring operations, etc.,)
- Lack of 'viable' schemes for implementation unless a target is imposed (IRDP, etc.).

There are various shades of rural poverty but among the poorest of the poor are those termed as 'landless'. They are also termed as 'agricultural-labourers' who have no land and depend only upon their physical labour. As these 'landless-poor' operate from a very slim economic base, a great transformation in their economic base and mobility is possible if they had access to financial resources to support their physical labour resource.

Within the existing system, availability of credit resources is restricted to the few who are able to have recourse to credit under various government-sponsored programmes like IRDP, PMRY, JRY, etc., The majority of the rural poor is unable to avail the benefit of these credit programmes due to past indebtedness, lack of sufficient knowledge about these schemes, inability to interact with bank/district officials, etc. Besides, the banks do not provide credit to meet the real urgent needs of the poor. Their income levels thus, stay at such a low level that very little can ever be saved and invested to let the economic base expand.

The poor are not un-productive. Infact, by virtue of sheer numbers and labour potential, they are one of the more productive segments of the
population. However, their labour does not yield adequate returns; control over financial resource is in the hands of the better-off segments.

The ideal way out would be a credit programme for the poor, so that genuine credit needs are met. A poor person who takes a loan may continue to do just what he has been doing before. However, there is a significant difference in income, as he would be able to retain a greater part of the profits.\(^2\)

1.3. THE CONCEPTUAL FRAMEWORK

1.3.1. Women Empowerment

In order to have an understanding of the term “women empowerment”, an understanding of the term empowerment is essential. The word ‘empowerment’ means ‘giving power’. According to the International Encyclopedia (1999), power means having the capacity and the means to direct one’s life towards desired social, political and economic goals or status. Therefore, women empowerment means giving the capacity and means to direct women’s life towards desired goals.

Many well-known writers and researchers have provided wide-ranging definitions of empowerment. Their definitions of empowerment in a broad sense cover aspects such as women’s control over material and intellectual resources. Empowerment is a process, which challenges traditional power equations and relations. Abolition of gender-based
discrimination in all institutions and structures of society and participation of women in policy and decision-making process at domestic and public levels are but a few dimensions of women empowerment.

(i) Economic Empowerment:

A woman is said to be economically empowered when she gains power as a result of increased access to economic resources. The means of achieving economic empowerment are: increase in income, access to finance, ability to make decisions regarding the utilization of money/credit, etc.

1.3.2 Micro Finance

Combating poverty in the world is necessary for world peace as stressed by Nobel Prize laureate Dr. Muhammad Yunus, the promoter of micro-credit through the Grameen Bank in Bangladesh. For alleviating poverty, micro-credit/finance is being mentioned as an important instrument. Therefore this concept has attracted attention of both policy makers and academicians. Micro-credit/finance programs have been introduced especially during the period of last 10 years in many developing countries. The well-known examples are the Grameen Bank in Bangladesh, Banco Sol in Bolivia and Bank Rakyat in Indonesia. The model of Grameen Bank promoted by Dr. Muhammad Yunus in Bangladesh has been copied by many developing countries in the world.
Meaning of Micro-Finance:

According to the task force on supportive and regulatory framework for micro-finance (NABARD, 2000), "Micro-Finance is defined as provision of thrift, credit and other financial services and products of very small amount to the poor in rural, semi-urban and urban areas for enabling them to raise their income levels and improve living standards. Micro credit institutions are those which provide these facilities."4

Micro-Finance refers to the entire range of financial and non-financial services, including skill upgradation and entrepreneurship development, rendered to the poor for enabling them to overcome poverty."5

Micro-Finance has usually features as very small loans, no collateral, the formation of borrowers groups, borrowers from among the rural and urban poor, loans for income generation, etc."6

1.3.3. Self-help Groups (SHGs)

Self Help Group (SHG) is a voluntary association of persons with common interests, formed democratically with out any political affiliations. They are small and homogeneous groups of 15-30 members. The uniqueness of these groups lies in the fact that to a large extent they are self-supporting, self-governing organizations free form bureaucratization
and politicization. The SHG process empowers the poor and enables them to control direction of own development by identifying their felt needs.

"An SHG is a small economically homogeneous affinity group of the rural poor voluntarily coming together to save small amount of money regularly, which is deposited in a common fund to meet member emergency needs and to provide collateral free loans decided by the group (Abhas Kumar Jha, 2000). They have been recognized as a useful tool to help the poor and as an alternative mechanism to meet the urgent credit needs of poor through thrift (V.M. Rao, 2002). SHG is a media for the development of saving habit among the women (S. Raja Mohan, 2003). SHGs enhance the equality of status of women as participants, decision-makers and beneficiaries in the democratic, economic, social and cultural spheres of life (Ritu Jain, 2003). The basic principles of the SHGs are group approach, mutual trust, organization of small and manageable groups, group cohesiveness, spirit of thrift, demand based lending, collateral free, women friendly loan, peer group pressure in repayment, skill training capacity, building and empowerment (N.Lalitha).

1.4 FIVE YEAR PLANS AND WOMEN DEVELOPMENT PROGRAMMES IN INDIA:-

The planners have made all-round development of women as one of the focal points of planning process in our country. Various women
development programmes were initiated in almost each and every Five Year Plan.

The first Five Year Plan (1951-56) envisaged a number of welfare measures for women. Establishment of the Central Social Welfare Board (CSWB), organization of Mahila Mandal or women's clubs and the Community Development Programmes were a few steps in this direction. In the Second Five-Year Plan (1956-61), the empowerment of women was closely linked with the overall approach of intensive agricultural development programmes.

The Third and Fourth Five-Years Plans (1961-66 and 1969-74) supported Female Education as a major welfare measure. Similarly, the Fourth Five-Year Plan (1969-74) continued the emphasis on women's education. The Fifth Five Year Plan (1974-79) emphasized training of women, who were in need of income and financial protection. Functional literacy programmes got priority. This plan coincided with international women's decade and the submission of Report of the Committee on the Status of Women in India. In 1976, women's welfare and Development Bureau was set up under the Ministry of Social Welfare. It was to act as a nodal point to co-ordinate policies and programmes for women's development.

The Sixth Five-Year Plan (1980-85) saw a definite shift from welfare to development. It recognized women's lack of access to resources as a
critical factor impending their growth. The Seventh Plan (1985-90) emphasized the need for gender equality and empowerment. For the first time, emphasis was placed upon qualitative aspects such as inculcation of confidence, generation of awareness with regards to rights and training in skills for better employment. The Eighth Five Year Plan (1992-97) focussed on empowering women, especially at the grass roots level, through Panchayati Raj institutions. The Ninth Five Year Plan (1997-2002) adopted a strategy of women’s component plan, under which not less than 30 percent of funds/benefits were earmarked for women-specific programmes. The Tenth Five Year Plan (2002-07) approach aims at empowering women through translating the recently adopted National Policy for Empowerment of women (2001) into action and ensuring survival, protection and development of women and children through rights based approach. In the Eleventh Five Year Plan (2007-2012) the main task is to ensure that women are at the centre stage of all the activities-economic, social and political. The crucial areas concerning themselves to a large extent, suggest the thrust areas that are required to be kept in view in the Eleventh plan, while priority will continue to be laid on health, nutrition, education, income generating activities, relief and rehabilitation for women in distress. Micro credit will be continued to remain the backbone of SHG finances and therefore will need to be strengthened and streamlined in the eleventh plan.
Though the Government has continued to allocate resources and formulated policies for the empowerment of women, it has become strikingly clear that political and social forces that resist women's rights in the name of religious, cultural or ethnic traditions, have contributed to the process of marginalization and oppression of women. The basic issue that prevents women from playing full participatory role in nation building is the lack of economic independence. Planners and policy makers have been eagerly searching for certain alternatives.

1.5. PRESENT STUDY

In most of the developing countries greater emphasis is being laid on need for empowering rural women and their active involvement in the mainstream of development. In our country, continuous efforts are being made by the union and state governments to improve the status of rural women, especially those below the poverty line through different schemes. In rural India, the high rate of illiteracy and low economic status of women underline the need for increasing their earning power by providing income generating assets. Provision of employment opportunities and income to rural women is one way to improve their nutrition, health, education and social status.

The government of Andhra Pradesh has taken up women's empowerment as one of the main agenda items to tackle rural poverty through social mobilization. A majority of them developed the habit of
saving a rupee a day, paving the way for socio-economic development. The state government has drawn up a long-term action plan for women's empowerment through self Help Groups Scheme. Hence, the emphasis is laid on the empowerment of the rural women focusing on organizing women in different groups to undertake certain productive activities to earn their livelihood, and to develop the rural and urban community.

The present study deals with economic empowerment of women through self-help groups (SHGs) and other rural credit/production-oriented programmes in drought prone district of Anantapur in Andhra Pradesh. In the early years of the planning period, rural credit packages had been exclusively male-oriented and women were largely ignored. However, with various supervisory credit programmes for rural women, the neglect of earlier years is being slowly erased. Credit for women as the most suitable and feasible alternative in accomplishing the goals of growth and poverty alleviation is now well recognized. The planners have recognized that the economic empowerment of women can only be improved upon by effective credit programmes. Gone are the days the women had accepted their poverty and miseries as due to divine fate or destiny and had little hope for improving their lot in life. But the implementation of exclusively women-oriented schemes has led to confidence-building and ability to improve their economic status among the present days Women. The Governments are now looking at more and more credit programmes/schemes with an integrated approach for economic development of women rather than
concentrating as a fragmented approach for welfare only. Economic empowerment of women has emerged as a vital issue in present day's developmental policies and programmes for women. Economic empowerment refers to improving the status of women on various economic components. For women to be empowered we need to ensure (i) increase in income and saving levels (ii) enhancing access to formal financial institution for micro-credit and other productive resources (iii) training and skill upgradation to generate alternate employment opportunities (iv) access to participation and decision-making in economic matter, and (v) building confidence and increasing enterprise management capabilities among women.

The Government of Andhra Pradesh has taken up the theme of women empowerment as one of main agenda items to tackle rural poverty and employment issues. Development agenda of the state in the last two decades has been to place the women in the forefront and enabled formation of a large number of self help groups (SHGs) throughout the length and breadth of the state. Self help movement through savings has been taken up as a mass movement and a path chosen by the women to shape their future destiny. SHGs are considered as one of the most significant tools to adopt participatory approach for the economic empowerment of women. They acts as the forum for members to provide space and support to each other. SHGs comprise of very poor people who do not have access to formal financial institutions. They are a tool to
promote rural savings and gainful employment. Women should unite themselves into social groups called self help groups for their own progress as well as that of the community.

1.6. REVIEW OF LITERATURE

The subject of women development is multidimensional, multisectoral and multidisciplinary. In the recent past, awareness about the contribution of women at the level of family and community has been on the increase. The government has been emphasizing the need for development of rural women and promotion of their participation in the developmental programmes. Many researchers felt that women development is an important area and carried their studies on different dimensions of overall development of women. A review of certain important works is quite pertinent in the context of the present study. The researcher has been able to tap some of the significant works and their focus relevant to the present study.

Pattanaik (2001)\textsuperscript{15} in his study emphasized that women have a decisive role to play in the alleviation of household poverty. Empowering women with property rights and with savings and investment facilities would contribute much more to the household income. Moreover, women participation in the income generating activities would raise the gender per capita income. The researcher recommended that income in the hands of women would contribute much more to the household food security than
the income controlled by men. The economic empowerment of women is sine-qua-non for eradication of poverty in general and rural poverty in particular.

Jawed Akhtar (2005)\textsuperscript{16} in his research study, states that the alleviation of poverty has been a major objective of India's development plans. The "Garibi Hatao" slogan given by Indira Gandhi in the early 1970s marked the beginning of an intensified approach to help the poor as reflected in a wide range of programmes for direct intervention to benefit the backward and poor sections of the society. These programmes have had some notable achievements to their credit, such as public distribution system with a wide rural coverage, employment programmes with significant impact on the rural poor and improvement in rural amenities and infrastructure like roads, schools, health centers, banks, and communication facilities. He made an observation that there has been a considerable reduction in the extent of poverty and attributed this to implementation of anti-poverty programmes.

Bharati Panda and Sagarika Mohanty (2003)\textsuperscript{17} in their study highlighted the need for formation of self-help groups in order to extend easy finance to the women belonging to poorer sections of the society. They viewed that the women, with specific reference to rural women, do not have control over different resources and as such they have a little or no decision making power. To overcome this malady, self-help approach is
advocated to empower the rural women. Further, the authors have also examined SHG-Bank linkage programme in India, highlighting how the linkage will felicitate in obtaining the necessary financial support, which may influence the living conditions of the SHG members.

Gohilavani (2002)\textsuperscript{18} has examined the need for empowering women which has been emphasized by the women's conferences held at the international levels important among them were held at Mexico 1975, Copen Hagen 1980, Nairobi 1985 and Beijing 1995. All these conferences have highlighted the need for empowering the women so as to address the women problems with inequality, violence, access to women welfare services. Mobilization of women to carry out team work in a participatory manner may pave the way for commanding equal status to women leading to their empowerment individually and the group empowerment at a later stage. The author was of the view that thrift and credit activities will in a way facilitate the women empowerment. Further, the author of the view that empowerment can be brought out only when changes are brought out in social institutions viz., family, marriage, religion, economy, education, polity, etc., the author concludes that empowerment of women can be achieved only when a series of efforts are made and changes in the institutions have to be brought on.

Shetty (2002)\textsuperscript{19} while summarizing the working and impact of rural self-help groups has stated that micro-finance institutions have improved
the asset base and also brought a sea change on the levels of the living of
the beneficiaries. Further, the women participation has also improved in
thrift and credit options. Moreover the author stressed the need for micro-
level field studies to examine the working of SHGs. Hence the present
empirical research will add to the existing literature.

Ponna Wignaraja (1990)\textsuperscript{20} stated that the design of women
development programmes should start with awareness creation, building
the poor women's groups, concretization and building organizations of the
poor. According to him as to ensure participation of the poor women and
sustain the process, institution building at all levels is required and
innovative training and sensitization programmes would need to be
properly established.

Puhazhendi and Jaya Raman (1999)\textsuperscript{21} in their study stated that
internal groups of rural poor are effective with the active intervention of
NGOs, adequately supported by their training and financial assistance.
The NGOs have ensured and also significantly improved women's
participation both from economic and social aspects. The authors strongly
believed that group approach is becoming more and more important as
evidenced by the on going income generating programmes, implemented
by the government. Thus they highlighted that the group approach is an
effective mechanism for ensuring effective functioning of self-help groups
especially in rural areas.
Sakuntala Narsimhan (1999)\textsuperscript{22} made an attempt on empowering rural women and suggested two measures such as imparting behavioural skill and training on occupational skills would enable women to act with a more self-esteem such as developing confidence and leadership qualities.

Nitya Rao (1996)\textsuperscript{23} strongly held that a positive change in the lives of poor women was not possible without organized pressure from the women themselves. It was suggested that women's organizations need support for development of leadership structure, ensure democratic functioning, participation in decision making and conflict resolution. The author concluded that the role of women's organizations should encompass handling cultural struggles, confronting the power structure in tradition, religion, class and gender as well and the members of the organization need to have strong stakes and deep commitment.

Nagayya (2000)\textsuperscript{24} in his study threw light on the importance of micro-credit, thrift on the role played by the financial institutions in the various developmental aspects of rural areas. He suggested that credit and non-credit programmes such as counseling, supply of raw material, organizing marketing efforts and bringing technology inputs are supposed to pursue vigorously.

Vijaynathi (2000)\textsuperscript{25} in her paper "women's empowerment through self-help groups-a participative approach attempted to explain the process of women empowerment in terms of levels of awareness creation, decision
making, self and group empowerment among women from self-help groups in five slum areas of Chennai. In order to take-up self development programmes, she proposed some measures such as building confidence and strength through brain storming sessions and group activities, inculcating group discipline by entrusting group responsibility.

Pandian and Eswaran (2002) made study on “empowerment of women through micro credit”. They held that the financial self-reliance of women both in the household and in the external environment led to empowerment of women in other spheres. They further stated that the success of women depends upon capacity building. The capacity building will result in better awareness of health, education, environment, legal rights, improving functional literacy and numeric, better communication skills and better leadership skills.

Rao (2002) while attempting women self-help groups and their profiles from Andhra Pradesh and Karnataka revealed that the existing formal financial institutions failed to provide finances to landless marginalized and disadvantaged groups. The study revealed that “Credit for consumption”, is the major purpose in Andhra Pradesh while it is social functions and purchase of inputs for agricultural in Karnataka. It was also significantly found that the self-help groups were able to achieve economic independence and self-confidence and thus channelising their efforts for the cause of human resource development in both the states.
Usha ram Kumar (2003)\textsuperscript{28} made an attempt to analyze the importance of education in empowering the women. The author has found that the percentage of girl's enrolment in high school has increased the awareness leading to reduce the gap between the girl and boys in the enrolment. The author has argued that education serves as powerful agent in empowering the women. The author has established the fact that literacy-linked women development programmes paved the way for formation of SHGs. In the light of empirical results the author concludes that education enabled women in participating the developmental programmes.

Vasudeva Rao (2004)\textsuperscript{29} in his study has examined the impact of the SHGs/DWCRA on the status and the quality of the poor Women in the rural areas and also examined the extent of women participation in the group activities. The study results showed that nearly 95 percent of the members attend the group meetings regularly and four fifths of the SHG members have actively participated in the proceedings of the SHG meetings. A note worthy factor is that there is a positive relation ship between saving and repayment. The study has also revealed higher levels of awareness on issues directly related to social development. Attitudinal changes has also been bought among the members of SHGs. The formation of SHGs have led to financial linkages with NABARD, Bank and such other financial institutions. It only means that self-help groups have a positive effect on tribals.
Amal Mandal (2005) research paper examines the importance of SHGs in poverty alleviation as the groups are organized on the basis of self help and mutual help. The author was of the view that the earlier anti-poverty programme (Prior to SGSY) have mainly followed individual approach and have not given serious thought on the need for sustainable income generation. In the light of the past experience the author believed that the group approach based on self-help and mutual help may facilitate the sustainable development of women. The author was the view that the group approach is only the way to meet the financial needs through thrift and inter loaning. If SHGs are guided by external agencies, the results will be encouraging.

Krishna Ahooja Patel (1995) in his International Development studies series on “Women and sustainable Development” attempted to analyze the relationship of women to environment and development. The study concluded that while addressing environmental education for women, resource material needs to be selected from a variety of sources-International, national, primary, secondary policies and grass roots levels. The author also called for fundamental and grass-root changes in the minds of women and men about the development of women in all fronts.

“Economic and Social Empowerment of Rural Poor through self-help groups” studied by V. Puhazhendhi and K.J.S. Satya Sai (1990) is quote relevant because the study attempted to evaluate the performance of self-
help group (SHGs) with special reference to social and economic empowerment. Primary data collected with the help of a structured questionnaire from 560 sample households in 223 SHGs functioning in 11 states representing four different regions across the country formed the basis for the study. For assessing the impact of the programme, a comparison of Pre-SHG (before) and post SHG (after) situations was followed in this study. The reference year of the study was 1999-2000 with a view to quantify the economic and social empowerment of SHG embers, Economic and social Empowerment (ESE) index was computed for each household combining the social and economic parameters using the scoring technique. The empirical findings of the study revealed that the SHG as institutional arrangement could positively contribute to the economic and social empowerment of rural poor and the impact on the latter was more pronounced than in the former.

Papaiah (2002) made a study on human resource development and DWACRA programme with the basic objectives of determining the basic human resource requirements for developing group leaders and members and assessing the impact of DWACRA programme on selected groups. He suggested that it is necessary to impart knowledge to all the DWACRA members on environmental matters, legal matters on women protection, training on occupational skills and capacity building. And also suggested that DWCRA programme should be seen as people centered having close intangible linkages with literacy, basic education, health,
nutrition, sanitation environment, population growth, role and status of women, quality of human resources. Therefore, the training programme invariably and vigorously should focus more attention on all these aspects.

Neelaiah (2007)\textsuperscript{34} made a study on poverty alleviation through self help groups and reviewed how these community based organizations are improving the potential of women in rural areas leading to their social and economic empowerment. The specific objectives of the study are to examine the functioning of the selected SHGs, assess the perception levels of selected self-help group members and to give suggestions for their effective functioning. The researcher found that self-help groups have a focus on developing saving capabilities among the poorest sections and also to achieve the subordinate goals of primary education to all women, men and children primary health, rural or urban roads, safe drinking water, sanitation and strong public distribution system. For these, more and more primary SHGs have to be federated and village organizations have to be formed. It is also suggested that though the social capital is available in plenty in rural area, training and development of the human resources necessary for the efficient and effective management of the self-help groups in particular and management of poverty alleviation programmes in general will help the government in alleviating the people from poverty.

A micro-level study had been conducted by Pushpalath and Revathi (1999)\textsuperscript{35} in Nelkondapalli and Mudigonda mandals of Khammam District of
Andhra Pradesh. Their study covers a period of two years i.e., from 1993-1995. The researchers opined that if the choice of selection of the schemes would be left to the beneficiaries, it would yield optimal results. The study recommended that social factors have to be given due emphasis along with the economic criterion in the effective implementation of the programme.

Vijaya Lakshmi (2000)\textsuperscript{36}, had taken up a study in Rajahmundry rural mandal of East Godavari District of Andhra Pradesh based on the data pertaining to implementation of DWACRA during 1998-1999. It was found that imparting technological, managerial and scientific skills was more imminent and the scheme meant for women's empowerment was not known to several women. The study recommended that there is an immediate need for extensive awareness generation programmes among the rural women.

Rama Krishna and Krishna Murthy (2003)\textsuperscript{37} analyzed the role of SHGs empowering rural poor in Paravada village of Visakhapatnam in 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. Further, the living standards of the beneficiaries in terms of food intake, children education, health status, and financial independence have also been improved.
Indira Kumari and Sambasiva Rao (2006) evaluated the performance of DWACRA, with special reference to Krishna District of Andhra Pradesh, a premier in the promotion of self-help groups. The author noted that SHGs were encouraged to come together as co-operative societies at the village and mandal levels by federating them under mutually aided co-operative societies Act 1995. They concluded that training is an important aspect for formation, sustainability of SHGs and monitoring the performance of SHGs. An immediate attention must be focused on marketing of SHGs products.

Boraian (2003) made an attempt to assess the process of empowerment of women through SHGs promoted by eight NGOs which received funds from a donor agency in Andhra Pradesh and Tamilnadu. The study observed that cash flow in the group and their families had been increased, members have greater access to credit and their emergency as well as other needs were met with ease.

Namboodiri and Shiyani (2001) in their study have examined the impact of SHGs linkage with Banks in promotion of thrift and purveying credit to the weaker sections belonging to the rural areas. The study revealed that majority of the SHGs are women based and exhibited homogeneity in their economic and social status. The study results have revealed the fact that SHGs promoted by NGOs have shown better results in terms of savings, credit etc., The analysis has shown that due to
predominance of consumption loans scope for undertaking Income Generating activities has been reduced. The formation of SHGs has led to women participation in development activities in rural areas.

V.M. Rao (2000) attempted to present the genesis and development of self-help groups in India and to document the working of women managed SHGs in the study area. The data were collected from 48 Women Dairy Co-operative societies (WDCSs) spread over six districts of Andhra Pradesh and Karnataka during April 2000 to February 2001. The study indicated that the existing formal financial institutions failed to provide finances to landless, marginalized, and disadvantaged groups. The origin of the SHGs could be traced only to mutual co-operation in India village community co-operatives are formal bodies, where as the SHGs are informal. The SHGs encouraged savings and promoted income generating activities. The experiences available in the country and elsewhere suggested that the SHGs are sustainable, have replicability, stimulate savings, and in the process helped borrowers to come out of the vicious circle of poverty.

M.S. Kallur (2000) in his study indicated that, women in India are not only poor but also are victims of a multiple socio-economic and cultural factors. Formal arrangements made through banks and co-operative institutions have failed to provide resources to them and this has promoted the non-governmental organizations (NGOs), to organize women self-help
groups (SHGs) to provide them credit and to encourage thrift habit among them. Finally it found that the group approach has brought to the surface many operative latent traditional values like group support thrift, group action and sustainability of women SHGs.

Samar, Datta and Raman (2001) have conducted an empirical study covering 355 SHG members at 30 randomly selected women SHGs from 8 clusters in the Tirupati area of Andhra Pradesh. The study results shows that in all SHGs, three-fifths of the members belong to backward classes, 6 percent to schedule caste (S.C) category and the remaining represent the other castes. As nearly one-third of the SHG members have no formal education, the authors felt that absence of formal education doesn't come in the way of working SHGs. Further, it was found that there was no homogeneity as far as occupation is concerned. The data and income distribution reveals that nearly two-thirds of the SHG members have income of less than Rs 500 per month each. The empirical data has also shown that SHG members known each other even before they could become the members of SHGs, which resulted in timely repayment by each member. Moreover they help each other even in case of repayment. Due to close proximity, members could convene SHG meetings at any time of their convenience. Through the empirical study it was found that credit is being extended to SHG members for various purposes viz., consumption, repayment of old debts, business and other loans. The study revealed that SHG have control over members and the dependence on
external finances has been considerably reduced after becoming member in the SHG. This clearly shows that SHGs have shown positive impact, which led in realizing the primary objectives for which SHGs have been formed.

K. Jayalakshmi did a study on “Deepam scheme in Andhra Pradesh”. The study found that: in each of the mandals together there were more than 400 groups. Each member was saving Rs 20-30 per month. It was not very homogeneous in nature with women from different social and economic status coming together and forming a group. Although there were more than 400 groups in a Mandal, almost 50 percent were dormant. The researcher could assess the SHGs based on savings deposited in the banks, regular meetings, internal/lending, etc. From among them, the group which were regularly saving for more than a year and also those who have received government matching grants, were selected to study the impact of Deepam Scheme. The enthusiasm for the LPG from the group was good. The study also made efforts to see whether the SHG as a movement has gained any momentum after the launching of Deepam Scheme. Retention of the Asset in both the districts it was found that 40-42 percent of the beneficiaries had retained the Asset. The researcher found that the beneficiaries are not retaining their given utensils/assets due to their inability to maintain them under inflationary conditions.
1.7. NEED FOR THE PRESENT STUDY

Anantapur is one of the most backward and drought-prone areas of Andhra Pradesh. The district with an area of 19,126 sq. kms. ranks third among the districts and accounts for 6.9 per cent for the total geographical area of Andhra Pradesh. This district possesses an extensive dry area and hence the agricultural conditions are often precarious. Lack of perennial rivers and mineral resources, causing a situation of continuous drought and misery to the people. Employment is a perennial problem to almost all sections of the society particularly to the rural population. Productivity is being hampered by the causes like seasonal employment, low rain fall and migration. Rural people often require credit and are forced to borrow from different sources to fulfill their basic needs and to initiate economic activity. Any scheme of extending credit in smaller amounts would be a great relief to the rural population and stimulate their economic activity and gainful employment.

A good number of studies have attempted to unveil particular sociological, economic and political factors contributing immensely to the development of women. It is held by observer that the last decade has seen the emergence of many women-centered movements in many parts of our India. Many researchers have been able to study on relevant aspects which have considerable bearing on the women development. Some studies are historical in nature and others are concentrated more on
women development and social empowerment. In spite of sincere efforts made by many researchers through their research studies and many programmes that were devised to solve the problems of rural women, still some problems remain unsolved due to various constraints and inappropriate priorities followed. Now it is recognized that economic empowerment of women gains top priority, particularly in drought prone rural areas. In the study, an attempt has been made to present a comprehensive picture on economic empowerment of women, achieved through the implementation of various important schemes in drought prone district of Anantapur in Andhra Pradesh.

1.8. OBJECTIVES OF THE STUDY

The Principal objectives of the study are:

(1). To study the progress of Self-Help Groups in India and Andhra Pradesh.

(2). To examine the performance and progress of micro finance schemes in India and Andhra Pradesh.

(3). To study the progress of SHG-Bank Linkage Programme in Anantapur District

(4). To examine the progress of Interest Subsidy Scheme in Anantapur District.

(5). To Study the impact of SHG-Bank Linkage Programme on Socio-economic status of SHG members in Anantapur District.
1.9. METHODOLOGY

The study is made on the basis of both primary and secondary sources of data collection. The data has been collected from Mandal Development Offices, banks, DRDA Anantapur. Reports, records, annual action plans, bulletins are the main sources of data. Information also collected from internet sources like government websites.

The studies carried by individuals, organizations, documents prepared by government offices, journals, books & news papers have been also used as secondary sources. The primary information have been collected from the Self-Help Group members and consultations with the officers, executives of the policy implementation and operatives at the grass root level. The collected information has been analysed using the simple statistical tools such as average, percentage, frequency and growth rates. The study covers a period of twelve years i.e. from 1998-99 to 2009-10.

The study area was confined to Anantapur district of Andhra Pradesh. The survey was conducted on the women Self-Help Groups in the district. The researcher visited some selected villages where SHGs are effective. From out of 51,361 SHGs in the district, 300 respondents were
chosen at random. The sample size was decided at the convenience of the researcher as the population size is larger. The researcher met the respondents with a Telugu version of the Question Schedule (Interview Schedule) and gathered information. A few of the respondents were illiterate as such the researcher had to read the question schedule to the respondents and had to fill up the question schedule as per the reply given by respondents. The statistical survey research was undertaken with a view to reach certain conclusions.

1.10. CHAPTERISATION

The study is presented in eight chapters. Chapter One outlines women development, financial requirements of rural poor women, Five Year Plans and women development Programmes, Present study, review of literature, need for the study, objectives, methodology and chapterisation. Chapter Two focuses on women empowerment, the government initiatives and strategies, the concept of SHG, and the evolution of SHGs in India. Chapter Three describe the functioning of SHGs, aims and objectives of SHGs, formation and working pattern of SHGs, capacity building and fund management in SHGs, leadership responsibilities, record keeping, and administrative set up required for the implementation of SHG programmes. Chapter Four present the information on Growth of SHGs in India. Chapter Five present the information on micro finance, micro finance through SHGs in India and Andhra Pradesh State,
micro finance models, SHG Bank-Linkage Programmes, and role of NABARD. Chapter Six focuses on the growth of SHGs, Progress of SHG Bank-Linkage Programme and Interest Subsidy Schemes in Anantapur district, receipt of SERP funds, component-wise expenditure, and credit mobilisation through SHG Bank-Linkage Programme. Chapter seven presents the details of socio-economic categorization of SHGs, and the impact of SHG Bank-Linkage programme and interest subsidy schemes on the socio-economic status of SHG members in Anantapur district. Chapter eight present the summary, findings of the study and the suggestions.

1.11. LIMITATIONS OF THE STUDY

Though the study is conceived and designed systematically, it is not without limitations which are general and minor in character. Basically the study is an attempt to present the comprehensive performance evaluation of SHG-Bank linkage programme and some other micro finance schemes which are being implemented in Anantapur District. The database is mostly secondary and purposively primary. Therefore, the study could not read off certain limitations, though of insignificant nature, which are listed below:

— Due to the variations in the data published by various agencies, the absolute accuracy of data is questionable.

— Apart from the factors identified to measure the impact of micro finance schemes, there could be yet many other influencing factors.
The differences in socio-economic and personality characteristics of respondents might have caused perceptual divergence in interpreting scale items and thus may have adversely affected the accuracy and dependability of the primary data.

The time-series data presentation formats used by different agencies are not uniform and there are some changes from year to year in the case of the same reporting agency.

Though the period of study is 12 years, due to non-availability of data for some years in the published reports, the researcher could not incorporate the data for the entire study period.

There may be certain differences among the schemes in their objectives, method of implementation and selection of individuals as beneficiaries, but the researcher viewed them as similar instruments from the broader perspective of women empowerment.
1.12. REFERENCES


6. i.bid. No. 4, p. 6.


