



## IMPACT OF MICRO FINANCE ON SCHEDULED CASTE SELF HELP GROUPS WOMEN IN CHITTOOR DISTRICT: A CASE STUDY

**Dr. D.Sreenivasa Reddy\***      **V.Jyothinadh\*\***

*\*Principal, Sree Vyshnavi MBA College, Gooty, Ananthapuramu-515401, Andhra Pradesh,*

*\*\*Research Scholar, Department of Commerce, Sri Krishnadevaraya University, Ananthapuramu, Andhra Pradesh.*

### **Abstract**

*Micro finance and Self -Help Groups are being a considered as important tools for reduction of poverty by empowering women who have been living under below poverty line and rural areas. The present paper highlights that the importance of micro finances on empowering the Scheduled Caste women in drought prone are of Chittoor district of Andhra Pradesh state. And also explain that the significant impact of micro finance on living conditions such as social, economic and political dimensions in the study area. The study is purely focusing on individuals who are benefited from the financial institutions and growing their family.*

**Key Words:** *Micro Finance, Self Help Groups, Scheduled Caste, empowerment.*

### **Introduction**

One of the most popular goal of most of the development programmes and especially of micro finance programmes is empowerment is not yet fully developed. Even then the methodology to evaluate the level of empowerment is not yet fully developed. Empowerment is closely related to the concept of power which can be understood in terms of ‘power to’, ‘power within’. Empowerment can be judged at various levels such as at individual level, family level and collected level. Within these different types of empowerment and levels of empowerment, there is growing interest to study and analyse the ‘power within’, which mainly focuses on the empowerment at individual level.

### **Empowerment of through Micro –finance**

Micro finance is emerging as a powerful instrument for poverty alleviation in the new economy. Microfinance refers to a collection of banking practices built around providing small loans (typically without collateral) and accepting tiny deposits. In India, microfinance scene is dominated by self help groups (SHGs)- bank Linkage Programmes, aimed at providing a cost-effective mechanism for providing financial services to the “unreached poor”. Based on the philosophy of peer pressure and group savings as collateral substitute, the SHG programme has been successful in not only in meeting the peculiar needs of the rural poor, but also in strengthening collective self-help capacities of the poor at the local level, leading to their empowerment. Microfinance for the poor and women has received extensive recognition as a strategy for poverty reduction and for women’s economic empowerment. There are good reasons to target women. Gender equality turns out to be good for everybody. The World Bank reports that societies that discriminate on the basis of gender have greater poverty, slower economic growth, weaker governance, and a lower standard of living. Studies in Latin America and elsewhere show that men typically contribute 50-68 per cent of their salaries to the collective household fund, whereas women “tend to keep nothing back for themselves”. Because “women contribute decisively to the well –being of their families”, investing in women brings about a multiplier effect. Again, every microfinance institution has stories of women who not only are better off economically as a result of access to financial services, but who are empowered as well. Simply getting cash into the



hands of women can lead to increased self-esteem; control and empowerment by helping them achieve greater economic independence and security, which in turns gives them the chance to contribute financially to their households and communities.

### **Statement of the problem**

The Chittoor district is one of the backward districts in the rayalaseem region of Andhra Pradesh. It indicates lowest rainfall area in the country. The rural economy of Chittoor district is noted for wide spread poverty, inequalities in income distribution, unemployment, harassment of women, growing problem of alcoholism among men. Women are considered sub-ordinate and since she is economically weak she finds no place in decision-making in the family. Their poor economic status leads to no social, economic and political empowerment at all. It is in this background the self help groups are a source of help to these affected downtrodden women. Self help groups are formed to launch a wide spectrum of micro-enterprises. Most of the self help groups are comprised of women of identical character, identical outlook, and identical social-cultural back ground.

### **Objectives**

1. To study the concept of micro finance and empowerment
2. To analyse the impact of micro finance on SC women through SHGs

### **Methodology**

In present study, the researcher has selected three sample from Kamireddyvarialpalli village, Somala Mandal, Chittoor district for taken up case studies. The select village is located in remote area all population is belong to Scheduled Caste. In this regard, the researcher has selected only three sample-who are get maximum benefit from the financial institutions and emerge as a sound economically empowered.

### **Analysis of the data**

This section serves the purpose of examining the multiple roles played by microfinance in empowering women in the study area. The monthly savings, source of savings, income generation activities and its role, role of money lenders, asset holding , and individual empowerment variable are the major aspects examined.

### **Case Study 1**

Name of the SHG member : N. Siddamma  
Wife : N. Bayanna  
Number of kids : Two  
Land holding : one Acre  
Husband occupation : Agricultural

**Her early day's life** :Siddamma was born in the year 1975 in Kamireddyvaripalli, Somalamandal, Chittoordistrict of Andhra Pradesh. She had a rough childhood and due to poverty at her home she needed to left school at class V. After leaving school, she was forced to marry on N. Bayanna of the same village by her father. Ultimately, this lady needed to give birth of her 1<sup>st</sup> daughter at the age of 18. Subsequently she became mother of another daughter and needed to engage in the daily activities at home. Her husband has one acre of agriculture land and the family was under deep poverty for having no other incomes.



One day, in the year 2017, on her way back to home from the agriculture field, who overheard a group of women talking about forming a group to borrow money from a bank. She joined the group and became a member of the Saphthagiri Grameena bank. In the year 2016 got her 5 loan for an amount of one lakh for cow fattening, and her life started change thereafter.

1. She has six children's, from one to five female, last one is male children,
2. One female candidate has completed MSc and rest of female were completed UG level and intermediate only
3. Male candidate were completed B.Tech From Kadapa and pursuing M.Techin JNTUK
4. She effectively involved in community developmental programme in the local areas
5. she has been taken decision relating to their childrens education and health issues
6. she is working nearly 19 hours per day, every family member depends on her only
7. Sometimes she went to ChekkaBajana at different functions in the district and outside district
8. There is no taken the rest but she care herself and also family members at every level
9. She is very good financial manager because of every rupee have been saved and accountable
10. Investment decision were taken both wife and husband
11. She maintained good relations with bank officials, NGOs, with in group members and village people
12. Increased social awareness, leadership skills through attending different training programmes which is conducted by the government and NGOs in mandal and District level

### Case Study :2

Name : M. Reddemma  
Husband : M. Ramanaiah  
Age : 37  
Family background : Agriculture labour  
Husband Occupation : Painter  
Family members : A single daughter , Name: Priya  
Completed B.Tech from JNTUA

### Family Income Before SHG

Before joining SHGs, Mrs. Reddamma worked as a agricultural labour in surrounding village. But there is no work regularly in this field because of scarcity of water/ low raining season for agriculture drought –prone area like Chittoor district of Andhra Pradesh. Daily she earn Rs.100. altogether monthly she get Rs.1700. There is no sufficient amount but she has been supporting to her husband income. At that time there is no saving of amount.

### Family Income after SHG

He joined SHGs in 2002 and the group name is Sri Raja Rajeswari Group. The Group consist of 10 members all are belongs to SC communities in Somalamandal. After 5 years she got a loan amount Rs. 20000 by the Saphthagiri Grameena Bank. Every month she repays the loan amount Rs. 500 altogether the loan recovery period is 20 months.

The loan amount was used for purchase of Jersey cow for milk vending. After purchase of cow, the cow gave 8litre per day each litre @ 35, altogether each day she gets nearly Rs. 280. per month she get Rs. 8,400/-.



**Case Study :3**

Name : E. Yellamma  
 Husband Name : E. Nagappa  
 Age : 40  
 Husband Occupation : Agricultural labour  
 Type of family : Joint Family  
 Type of House : Permanent (Govt. Sanctioned)  
 Type of ration card : White  
 Childrens : No childrens  
 Number of Family members : Five

**After Joining SHGs**

Loan Amount : Rs.50000  
 Purpose : Running Petty shop  
 Per week loan installment plus interest: Rs.3000  
 Total savings : Rs.1000 per month

**Position of the family after getting loan money:** Her husband monitoring and run the petty shop and managing the money for payment of loan money at the end of the week. But she believes that she is the source of the money generation to the family and helping her husband to generate income.

**Case Study Analysis**

**Table 1: Particulars of Saving Amount of Sample Respondents**

S.No	Particulars	Before	After
1	Case study 1	Rs.150	Rs. 750
2	Case study 2	Rs. 100	Rs. 1500
3	Case study 3	00	Rs. 1000

Source: Field survey

The evidence from the study area shows that, as can be expected as a SHG member have been contributing savings in Self Help groups in Chittoor district of Andhra Pradesh. There is however, in the present case study members, case -3 not saving before joining the SHGs and reaming case -1 and case 2 are saving Rs. 150/- and Rs. 100 before joining the SHGs.

In case of the after joining the SHG members and their savings are case 1 have been saving Rs. 750 per month after joining SHGs and case 2 saving Rs. 1500 per month and case 3 were saving Rs. 1000 respectively. It is clearly shows that the highest amount saving by the case 2 in the study area.

**Table 2: Details of Source of Savings of Case Study Samples**

S.No	Particulars	Source
1	Case study 1	Animal Husbandry
2	Case study 2	Milk vending
3	Case study 3	Petty shop

Source: Field survey



The above table:2shows that the particulars of sample SHG members and their savings sources in the Chittoor district of Andhra Pradesh. It can be analysed for their secondary sources of income and saving of amount in the study area. It is found that case 1 have been earning from the animal husbandry followed by the case 2 was milk vending and case threewas running the petty shops in the selected sample case studies.

**Table 3: Particulars of Durable Goods of Select Case Studies**

S.No	Particulars	Before	After
1	Case study 1	Rs. 5000	Rs. 79000
2	Case study 2	Rs. 7500	Rs. 60000
3	Case study 3	Rs. 4000	Rs. 48000

Source: Field survey

The table 3 reveals that the particulars of durable goods of selected sample case SHG members in the study area like Chittoor district of Andhra Pradesh. Before joining as member in SHGs, case 1 have Rs. 5000 worth of durable goods possessed, case 2 were Rs. 7500 worth of durable goods possessed, and case 3 were Rs. 12000 worth of durable goods possessed.

It is evident from the table after joining SHGs the members were procuring and getting some addition durable goods in the study area. It is clearly shows that case one durable goods were increased from Rs. 5000 to Rs. 79000. Nearly 8 times were increased their durable goods after joining SHGs. In case 2, the durable goods were increased from Rs. 7500 to Rs. 60000. It clearly shows that nearly 9 times were increased their durable goods. In case 3, the durable goods were increased from Rs. 4000 to Rs. 48000.

**Table 4: Particulars of Permanent Assets of Case Study Respondents**

S.No	Particulars	Before	After
1	Case study 1	Rs. 1,20,000	Rs. 6,00,000
2	Case study 2	Rs. 1,09,000	Rs. 5,89,000
3	Case study 3	Rs. 1,46,000	Rs. 4,29,000

Source: Field survey

The table 4 portrays that the details of permanent assets procuring before and after joining SHGs in the back ward area like Chittoor district of Andhra Pradesh. It is evident from the study before joining SHGs case 1 assets was Rs. 1,20,000 followed by the case 2 assets were Rs. 1,09,000, and case 3 assets was Rs. 1,46,000.

After joining the SHG, the selected case sample were increased their permanent assets in the study area. Case 1 assets were increased from Rs. 1,20,000 to Rs. 6 lakhsit is an positive impact. In case 2 assets were increased from Rs. 1,09,000 to Rs. 589000. In case 3, her assets were increased from Rs. 1,46,000 to Rs. 4,29,000.

**Table 5: Opinion of Case Study Respondents on Social and Political Empowerment**

S.No	Activity	Case 1	Case 2	Case 3
1	Leadership abilities	✓	--	✓
2	Confidence	✓	✓	✓
3	Decision Making ability	✓	✓	✓



4	Respect in the family	✓	✓	✓
5	Social awareness	✓	✓	--
7	Problem solving capacity	✓	✓	✓
8	Standard living	✓	✓	--
9	Participation in social programme	✓	✓	--

Source: Field survey

### Case Study 1

The opinion was collected from the second SHG members on various issues. She stated that after joining SHG, acquiring the Leadership skills how to leading the people, guiding the people, motivating the people, controlling the people in her family and also society, develop confidence on herself, get the ability to take decision relating to their family matters like children’s education, health and etc, gets respects from her family members, increased social awareness after moving and taking the training programmes and also get capacity for solving the problem. Her life standard were increased after joining SHGs and also effectively participated in social programme in their surrounding areas.

### Case Study 2

M Reddemma has one of the effective SHGs empowered women in Kamireddyvarialli village. She got well knowledge relating to their family member like health and education, how we can solve the problem relating to family and society, increased their life standards and actively participating in social development activities in their mandal level.

### Case Study 3

Yellamma is one the SHGs member. She runs a petty shop after joining the SHGs. She also got 4 times loans from the Saphthagiri Grameena bank. She effectively run petty shop in their village. After her joining SHGs, she has been acquiring the leadership skills through different training programme and also self-confidence.

### Conclusions

The present study has concluded that the micro finance has been influencing positive impact on weaker section of the society especially on Scheduled Caste people in Chittoor district. The study found that selected three Scheduled Caste women were growing very well after availing financial supporting from the financial institutions. It is statistically proved from this study. Hence, the government will also provide huge capital to the women members- they will be developed positively.

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