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**RESEARCH ARTICLE**

**AN ANALYSIS OF THE CREDIT FLOW TO SCHEDULED CASTE WOMEN IN HIMACHAL PRADESH**

*A Case Study of District Hamirpur*

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**ABSTRACT**

In the context of the National policy of the Government of India of Empowering women to make them economically independent and self reliant on equal footing along with their counterparts, the paper examines the pattern of credit flow to the most weaker category of women in India referred as scheduled caste women.

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**INTRODUCTION**

**Women in development**

Women has been an equal partner to man, besides her biological and social roles right through the history. The process of development that is to be contemplated needs to empower all the disadvantaged sections of the population especially scheduled castes, scheduled tribes, other backward classes (OBC's), minorities and women. Women's status, very often is considered as an important indicator of the level of development of a particular society. There has been a significant shift in the approach towards the well being of women from 'welfare during fifties' to 'Development during seventies' and to 'Empowerment during Nineties.' Human Resource Development being one of the major thrust area in the Eighth Five Year Plan of India, all development efforts were directed to empower women for national development on equal footing along with their counterparts to make them economically independent and self reliant. Ninth five year Plan of India also aimed at expeditious adoption of the 'National policy for empowering women' along with Gender development Index to monitor the impact of its implementation in raising the status of the women from time to time.

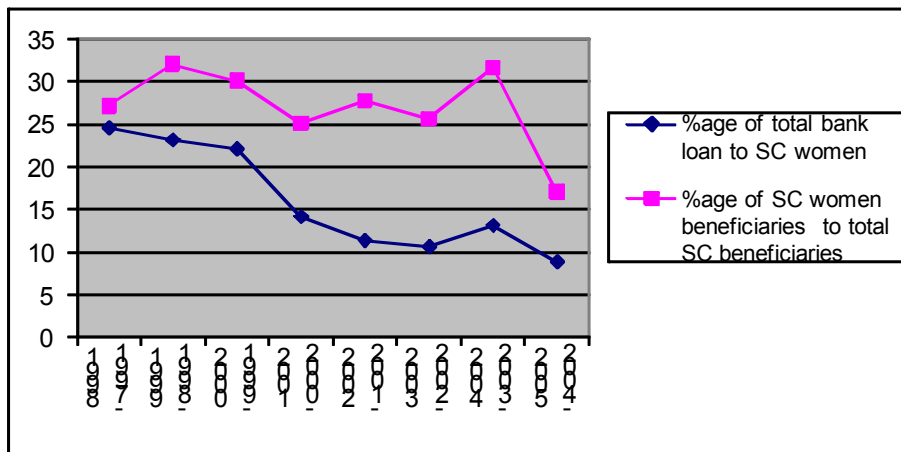
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Though there has been a substantial growth in women's involvement in the economic activities, much remains to be desired since women are still the most negligible and form the largest disadvantaged segment of the Indian society. The concept of human development has urged to make the development more people oriented and thus women have become as much central to it as men. The role of women in socio- economic development of a nation can hardly be ignored especially from the point of view of the growth of population, which in turn affects the economic development. The involvement of women in economic activities is significant because several studies has revealed that the participation of women in economically productive labour outside home and ensuring of equal pay, would, besides conferring positive benefits like raising household income, also achieve the prime demographic goal of reducing birth rate as there is a statistical correlation between increase in women's outside employment and decrease in birth rates (Department Of Economics & Statistics Of Government Of Himachal Pradesh- India). Today, Women's issues are no longer confined exclusively to the women's movement, but find center stage in the frame of work of development thought and policy. Women are recognized as a critical group for development according to the World Bank country study (1991) "Gender and Poverty in India". There has been a recognition of the fact that self employed and home based workers are a considerable segment of women's labour force.

**Table 1. Credit flow to Scheduled Caste (SC) Women under Self- Employment Scheme**

Years	total no of SC* beneficiaries	No. of SC-women beneficiaries	Sc women beneficiaries (%)	Bank loan to all SC beneficiaries (Rs.lakh)	Bank loan to all SC women Beneficiaries (Rs.lakh)	%age of total bank loan to SC women
1997-1998	195	53	27.17	33.23	8.17	24.59
1998-1999	240	77	32.08	39.33	9.12	23.19
1999-2000	219	66	30.13	37.87	8.39	22.15
2000-2001	243	61	25.1	46.99	6.66	14.17
2001-2002	288	80	27.8	64.4	7.34	11.4
2002-2003	223	57	25.6	59.12	6.3	10.66
2003-2004	240	76	31.7	70.31	9.64	13.7
2004-2005	193	33	17.09	62.12	5.5	8.85

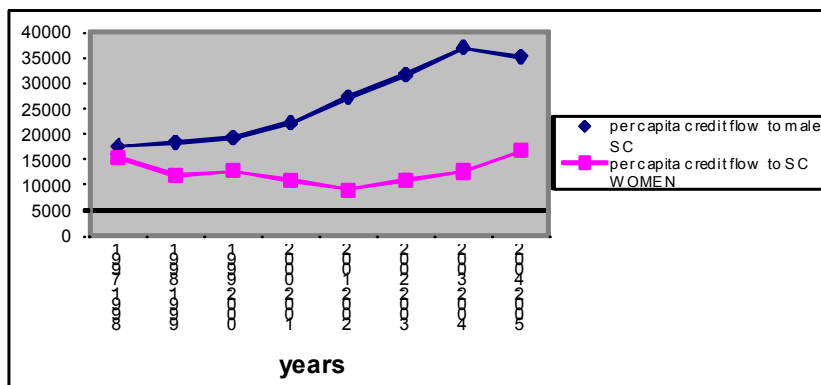
SOURCE:- Scheduled Caste & Scheduled Tribes Development Corporation- District Hamirpur Himachal Pradesh. \*SC: Scheduled Caste; \*ST: Scheduled Tribes.



**Fig. 1. Credit flow to Scheduled Caste (SC) Women under Self- Employment Scheme**

**Table 2. Per Capita credit Flow (Derived from the Table-1)**

Years	per capita credit flow to male SC	per capita credit flow to SC women
1997-1998	17648	15415
1998-1999	18534	11844
1999-2000	19268	12712
2000-2001	22159	10918
2001-2002	27433	9175
2002-2003	31819	11053
2003-2004	36994	12684
2004-2005	35388	16667



Women have a noticeable presence in the unorganized informal sector. Over the years although the percentage of women who have acquired skills and literacy level is increasing but the employment opportunities in the organized formal sector have not kept pace with the demand. It is

therefore realized that there is a need to provide more and more employment avenues to the women to take up gainful self-employment.(Ghosh & Gabbay). But gainful self-employment requires availability of effective system of institutional finance.

### Institutional Finance & Women

The four major Reports of recent times (Towards equality-1974, Shram Shakti –1988, National Perspective Plan for Women-1988 and country Report of fourth World Conference on Women –1995) have assembled data on the work and life style of India's female labour force. One of the most important results of these reports is the discovery that women as a distinct group are more active than men in the nation's economic development. They have been found more bankable and credit worthy. They are more likely to return the loan timely and income in their hand is more often invested in the family. They also take the training more seriously. So, financial resources if delivered effectively to women can help them in making a meaningful improvement in their economic and social conditions. The revised 20 point programme of Indian Government, which was launched on 1<sup>st</sup> April 1987 also stresses to encourage women entrepreneurs by giving credit support to the self employed ventures and liaise with the District Industries Centers, other Government Agencies and Voluntary Agencies for identification of women entrepreneurs (Khosla).

### Multiplicity of Social Categories in India

Over the last few decades, development in India has served to enhance the opportunities of much upper caste, urban women. These women now have greater access to education and employment, and as a result, are able to participate in the economy on more equal basis with men. Generalizing from these privileged women to the larger female population, however, is misleading. The bulk of the female population in India still suffers from impoverishment. The most extreme deprivation exists among women in the scheduled caste and tribes populations- groups designated particularly as disadvantaged groups in the Indian constitution. So, the complex stratification systems in India give rise to a multiplicity of social categories which often obscure the relative status of women and men within the more disadvantaged segments of the population.

The focus of this study is on the situation of women in scheduled castes groups which are referred to as 'weaker sections of people' and granted special safeguards and concessions under the Indian constitution. Women of these under-privileged group are doubly disadvantaged: their minority group status interacts with India's patriarchal culture to produce deplorable living conditions. Findings indicate that relative to men, women of this group have far more limited access to both educational and employment resources (Dunn Dana). The paper examines the credit flow to these women by the agency- the Scheduled Caste & Scheduled Tribes Development Corporation- especially established by the Government of India in each state to cater to the financial needs of scheduled caste and scheduled tribes.

### Scope of the study

The study is limited to the District Hamirpur of the state of Himachal Pradesh- a special category state. The population of scheduled caste(SC) people in the District was 98539, which is 23.89% of the total population of the District (2001 census). Out of the total population of SC in the District, the female scheduled caste population was 49797 i.e. 50.54% of the total Scheduled Caste population in the District. The most of the Scheduled Caste population of the District live in the rural areas. As per the census 2001, 94.7% of the total Scheduled Caste population of the district lives in the rural areas. (Social Statistics of Himachal Pradesh). So keeping in view the Scheduled Caste women constituting more than 50% of the total scheduled caste population of the district, it is important to know the quantum of loan flowing to them through the agency 'Scheduled Caste & Scheduled Tribes Development Corporation' - the institution which has been established specifically to serve the credit needs of these communities. The Scheduled Caste & Scheduled Tribes Development Corporation of Himachal Pradesh provides assistance to the Scheduled caste people under the following main schemes:-

1. **Self-Employment Scheme :-** Under the scheme the corporation provides loan through banks to run any project up to the cost of Rs.50000. The scheme is divided in to two parts:-

**Table 3. Loan Disbursed During The Year 1993-94**

Loan Amount Range( in Rs.)	Total SC beneficiaries	SC Female beneficiaries	SC male beneficiaries	%age of SC women in Total beneficiaries
500-999	5	2	3	40%
1000-4999	122	70	52	57.3%
5000-9999	104	44	60	42.3%
10000-14999	63	5	58	7.9%
15000-20000	8	0	8	Nil
Total SC beneficiaries	302	121	181	40.6%

SOURCE: SC/ST DEVELOPMENT CORPORATION DISTRICT HAMIRPUR H.P

**Table 4: Flow of credit under Himswalamban Scheme through NSFDC**

Years	Total SC beneficiaries	Total Female SC beneficiaries	Total corporation Loan (Rs. Lakh)
1997-98	5	nil	16.45
1998-99	4	nil	14.62
1999-2000	5	nil	11.30
2000-01	2	nil	7.50
2001-02	6	nil	18.09
2002-03	8	nil	25.23
2003-04	1	nil	1.0

Source:- SC/ST DEVELOPMENT CORPORATION DISTRICT HAMIRPUR H.P

- a) Scheme-1:- Under the scheme the Corporation provides capital subsidy of 50% of total cost of the project subject to maximum of Rs. 10000/- per family. This facility is provided to the families who are below the poverty line. In addition, the Corporation also provides interest subsidy to non- defaulters where banks charge interest rates over and above 4 percent per annum.
  - b) Scheme-2 :- Under the scheme-2, the loan facility is provided to those families whose income is less than double of the income fixed for the persons living below the poverty line. Under the scheme no capital subsidy is provided but interest subsidy is provided to the non- defaulters so that beneficiaries do not pay interest above 6 percent per annum.
2. **Himswalamban Scheme:-** Under the scheme the Corporation provides loan for high cost employment schemes/ projects. The loan is provided with the co-operation of the National Scheduled Caste Finance and Development Cooperation. (NSFDC) The rate of interest is 6 percent per annum for loan up to Rs. 5 lakh and 8 percent for the projects exceeding the cost of Rs.5 lakh. The income limit for getting loan under the scheme is Rs.40000/- for rural areas and Rs.55000/- for urban areas.
  3. **Shop-Shed Scheme:-** Under the scheme the Corporation provides loan of Rs. 50000/- per shop (Rs.60000/- in hard areas) at 4 percent interest to local bodies for the construction of shops to be provided to the scheduled caste/ scheduled tribes people on rent.

In addition the Corporation also provides training for selected occupations to the the scheduled caste/ scheduled tribes people. For this a stipend of Rupees 500/- per month (Rupees.750/ for the out stationed candidates) is given. The income limit of Rs.22000/- Per annum has been fixed to get stipend under the scheme.( Brochure, Himachal Pradesh Scheduled Caste & Scheduled Tribes Development Corporation). The paper analyses only the loan disbursed under the two main schemes i.e self- employment scheme & Himswalamban scheme. Table- 1 shows a continuous decline in the %age of credit flow to the SC women from 24.59% to a drastic low level of 8.85% in 2004-05.The percentage of women beneficiaries has also fallen from 27.17% to 17.09% in 2004-05. Figure-1 also reveals a very dismal picture. The curve showing the %age of total loan to SC women has fallen sharply from 22.15 in 1999-2000 to 14.17 in 2000-01 thereafter it reached the lowest level of 8.85%.The % age of SC women beneficiaries although has not shown some definite trend but the curve has almost shown a falling trend w.e.f.. 1998-99except for the year 2003-04 as shown in the Figure-2. The % age of SC women beneficiaries have fell sharply in the year 2004-05 when it touched the level of 17.09%.( Figure 1)

#### Per Capita credit Flow

In terms of per capita credit flow also, the credit flow to SC women has fallen significantly from Rs.15415 to 9175 in 2001-02. After that it has shown some improvement. On

contrary, the per capita credit flow to male SC has continuously increased from Rs.17648 in 1997-98 to Rs.35388 in 2004-05. Which is almost double (see table-2 & Figure-3) Figure-3 reveals that the per capita credit flow to the male SC has increased continuously. The graph also shows that the gap in terms of per capita credit flow between male and female has widened over the years and the females SCs have lagged behind. The Per capita credit flow to SC women has shown a continuous falling trend up to 2001-02 and after that the curve shows some improvement. But the improvement is due to the significant decline noticed in the number of sc women beneficiaries in 2002-03 and 2004-05. The most important fact which figure -3 reveals is that the per capita credit flow to women beneficiaries has always ranged between 10000 to 15000 except for the year 2004-05 when it has increased marginally above 15000.Moreover the per capita credit flow to SC women has never reached the beginning per capita credit level of their counterparts i.e.Rs.17648 which they have had in 1997-98. The same trend is noticed by analyzing the data on loan range of an earlier period of 1993-94.(see table:3) The Table-3 clearly shows that the largest no of SC women i.e. 70( 57.3%) has secured loan through the Corporation ranging between Rs.1000-4999 and the % age of SC women beneficiaries fall drastically for the higher range loan i.e. 42.3% of SC women secured loan ranging between 5000-9999 and a just 7.9% SC women were successful to secure loan between 10000-14999. the important point to be noticed is that no women has been provided loan above 15000.The same trend continues in recent years as no coverage has been given to the female SC beneficiaries under the main loan scheme i.e. Himswalamban Scheme ( Table-4) run in co- operation with National Scheduled Caste Finance and Development Corporation (NSFDC) for providing high cost loan of Rs.5 lakh and above. So the study reveals that the scheduled caste women are still highly discriminated in terms of credit flow as compared to their counterparts . Not only they are discriminated, they are also provided a meager amount of loan which proves that they still have a very limited access to financial resources. Until and unless, financial resources are delivered effectively to these women, no major improvement is possible in their socio- economic status. These revelations go against the policy of the Government to empower women for National Development on equal footing along with their counterparts.

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