

Extent of Utilization of Financial  
Assistance by the Scheduled Caste Families  
for Development Programmes

BY

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## Introduction

## INTRODUCTION

"As the nation building work progresses, villagers are shedding old prejudices and learning to help themselves with new implements and fresh ideas. It is the prosperity of this section of the community which is our foremost hope".

- Rajendra Prasad.

After Independence India changed from a police state to a welfare state. The constitution of India passed in 1949 guaranteed the citizens of India certain Fundamental Rights and enunciated in the Directive principles of state policy that the state shall strive to promote the welfare of the people, by securing and protecting as effectively as it may a social order in which justice-social, economic and political-shall inform all the institutions of national life. Having regard to these rights and infurtherance of these principles as well as of the declared objectives of the Government to promote a rapid rise in the standard of living of the people by efficient exploitation of the resources of the country, and by increasing production and offering opportunities to all for employment in the service of the community, the Government of India appointed the Planning Commission in March 1950 to make an assessment of the country's resources and to formulate a plan for the most effective and balanced utilization of the Country's resources.

The launching of the Five Year Plans for planned development of Indian Economy with special emphasis on rural development synchronises with the beginning of new era for rural reconstruction and development for realisation of an economic and social order based on principles of socialism, secularism and self-reliance.

The First Five Year Plan was prepared in 1951 and since then several successive Five Year Plans have been formulated to make an advance on all fronts. The plans allocated resources for all sectors of the economy such as agriculture, irrigation, power, industry, and mining, transport and communication, social services including education, health, housing, welfare of backward classes and social welfare. However, one important feature of the first and successive five year plans has been the launching of the community Development programme to bring about an allround development of the villages.

The Community Development Programme launched in 1952, aimed to bring about a change in the mental outlook of the people, instilled in them an ambition for higher standards of life, and the will and determination to work for such standards of life (Mishra and Sharma 1983).

Community Development Programme was to secure the fullest development of the material and human resources of the area, and thereby raise the rural community to higher levels of living with the active participation of the people themselves (Desai, 1983).

However the benefits of community development programme could not reach the poor masses and as such their lot more or less remained the same. (Dahama and Bhatnagar 1990).

The rural poor are confronted with innumerable problems like continuous fear of starvation, very low income, landlessness, no regular source of income, worklessness, indebtedness, harassment by shopkeepers and money lenders, lack of drinking water and irrigation facilities, lack of medical facilities, dearth <sup>of</sup> schools, and other educational facilities etc.

The Rural Development Programmes rests in the hands of the government as well as voluntary organisations. The Voluntary Organisations in their zeal to achieve rural development have viewed it differently.

The integrated Rural Development Programme launched by the Government sought to help 15 million rural families rise above the poverty line for cultivation of crops,

minor irrigation (wells tubewells, lift irrigation schemes etc.) land reclamation and development, purchase of agricultural machinery like pumpsets, tractors, etc. poultry farming, animal husbandry, dairy farming, inland and offshore fishing, horticulture, and plantations, setting up of gobar gas plants, sericulture development and purchase of storage items and construction of godowns for storing agricultural produce. This apart, qualified graduates can get loans for setting up agricultural farms and agro-service centres.

Agarwala (1980) states that the "Integrated Rural Development is not enough to evolve policies and to formulate programmes for the rural poor, but what we need today is to monitor the programmes with strong administrative commitment in assuring that the benefits percolate to the rural poor".

India is among the few developing countries with a developed banking system. What began as a heritage of colonialism, has grown qualitatively, specially following the nationalisation of the major banks. With nationalisation of banking system in the country in 1969, banks role in transfer of savings from private households to the state for public investment, reducing Vertical and horizontal inequality and helping to eliminate the role and power of speculators and middlemen has assumed significance. Banks

have now become an integral part of the planning mechanism and process.

Government attaches importance to upliftment of the weaker and down trodden sections of the society. Governments present credit policy aims at channelising increased flow of credit to the priority sector and in particular to the weaker sections of the society. Banks have been asked to raise the proportion of their credit to priority sector to 40 per cent of their net bank credit and the advances to weaker sections should reach a level of 10 per cent of total credit.

It was recognised that the banking system had a vital role to play in the implementation of the programme by providing financial assistance to its beneficiaries. In pursuance of this, the government Reserve Bank of India (RBI) has issued suitable instructions to public sector banks on the implementation of the programme. Thus in January 1976, banks were told that "they were expected to play an important role, among other things, in bridging the gap created in the rural credit structure following, the imposition of the moratorium<sup>on</sup>/debt recovery, in assisting the farmers who have been newly allotted lands for cultivation, in providing assistance to those released from bonded labour

for taking to subsidiary activities allied to agriculture in financing minor irrigation programmes, in promoting the development of the handloom sector, and in enlarging employment opportunities, especially for the weaker sections".

Under the Integrated Rural Development Programme (IRDP), it has been decided that a high priority should be given to cover the participation of the Scheduled Castes and Scheduled Tribes participants. It has been decided that where the percentage of these classes in a block is more than 20, they should be covered under various programmes, atleast to the extent of their proportion to the total population in the selected areas. In view of the fact that these special programmes are especially aimed at ameliorating the lot of the weakest among the weak, the proportion of beneficiaries belonging to Scheduled Castes and Scheduled Tribes should be much higher than the percentage of scheduled castes and scheduled tribes population in the total population of the area. Every care should be taken to see that scheduled castes and scheduled tribes families receive substantial assistance which should be sufficient to raise their income well above the poverty line.

Schedule castes Development Corporations, presently functioning in 17 states and the Union Territories of Delhi and Chandigarh, have the responsibility of tackling the operational aspect involved in the implementation of economic programmes for scheduled castes specially mobilisation of institutional credit for income generating schemes. The Central Government invests to the extent of 49 per cent in the share capital of these corporations, while the respective State Governments contribute 51 per cent.

Title of the Present Study

Extent of utilization of financial assistance by the scheduled castes families for development programmes.

Objectives of the Present Study:

The objectives of the present investigation are:

To study

1. The position of scheduled castes in the village and the status of scheduled castes who had availed the loans.

2. the socio-economic status of those who had availed the loans
3. the different agencies which had given loans.
4. the purpose for which the loans have been taken
5. the extent of utilisation of
  - a. the purpose for which the loan had been utilised
  - b. the percentage of loans utilised
  - c. the loan condition fulfilled
  - d. the regularity of repayment
  - e. the repayment pattern
  - f. the benefits they had acquired because of loan

Limitations of the Study:

Many people belonging to scheduled castes and scheduled tribes and economically backward people had availed loan

facilities from the banks in many villages of Coimbatore District. But due to paucity of time, cost involved and the fact that the University's NLM programme is being carried out in Kannappanagar, it was felt necessary that a detailed study of the self-employed people availing loans from the banks may help her to foster more such programmes in the village. Hence the investigator confined her study to K.N. village of Coimbatore District.

## Review of Literature

## II REVIEW OF LITERATURE

The Review Pertaining to the study consists of:

- A. Rural Development Programmes in India.
- B. Banking and Rural Development in India.
- C. Assistance for self-employment Opportunities for Scheduled Caste.

### A. Rural Development Programmes in India

The term development is of topical interest today and the focus of discussion at many seminars. The term encompasses a wide range of inter-related issues like improving literacy, developing skills, creating employment opportunities, increasing agricultural and industrial production etc.,. The most important objective of it all being to raise the 'levels of living' of the masses. These phrases have become popular jargon not only among politicians but among social scientists as well (N.J. USHA RAO,1985).

Hugo F. Reading (1988) defines the word "rural" as

- a. Pertaining to small agglomeration, dispersed settlement, or uninhabited territory.
- b. Not characterized by urbanism.

Bata K.Dey (1988) holds a similar view of development. According to him "development is a total plan of action

to bring about a directed or guided change in all aspects of social activity geared to national progress, with a heavy import of achievement of programmatic goals".

"Development is the process whereby human beings try to shape and reshape the natural environment".

The word development should not be understood in any narrow economic growth sense. It refers to the movement of the whole system towards an even larger measure of power to the people for conscious participation in building their own future, the higher production, equitable distribution and maximum happiness to the producers as well as consumers (Girijappa,1989). What is more important is the creation of an aesthetically and ecologically sound environment.

Development by definition, is an act on the process of developing a growth revolution within the frame work of available resources (Singh,1989). Its primary aim in India is the removal of poverty and socio-economic evils which are inter-linked with it. Rural development is therefore, a conscious effort of raising the standard of living of the people residing in 572,000 villages in India.

In this sense rural development has to be understood, in a broad manner to cover increased production, providing hygienic and sound environment and continued happiness of the people living in rural areas.

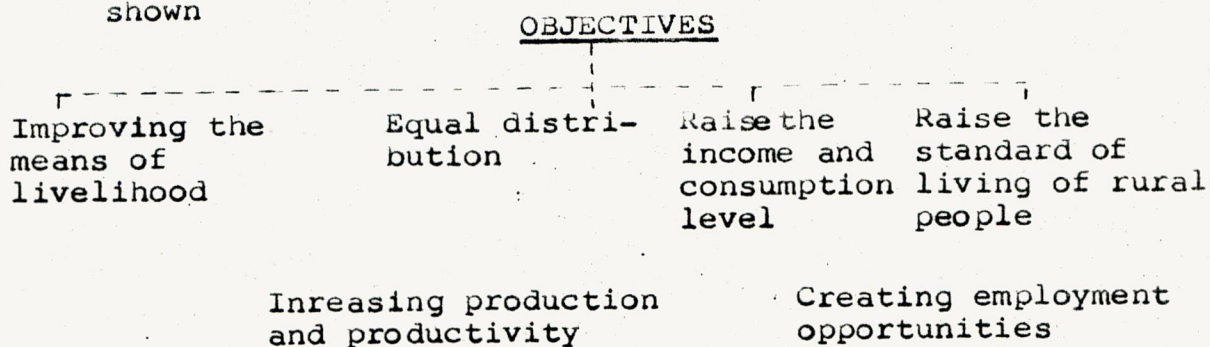
Mohit Bhattacharya (1988) explains the concept of rural development as "a process directed essentially towards improving the living standard of rural poor".

According to Sharma (1980) rural development is a mission and a liberating force. It is a thrust unravelling the potentialities of the latent and over institutional and attitudinal changes for the services of the rural poor. Efforts are made to liquidate the vested interests which prevent the benefits of development to percolate down to the disadvantaged groups. At first, rural development attempts growth with social justice. When that is achieved, the rural poor could, and would, resolve most of their problems themselves.

Avinashilingam (1981) states that rural development requires relatively a strong pattern of control and coordination at the local level. Those rural development projects, with relatively strong patterns at the local level seem to be the most successful. This involves strong

local leadership, use of mechanisms to generate local commitment for project purposes, local ability, to influence decisions affecting them, representatives who are sensitive to local needs but able to command the resources necessary to get things done at the appropriate time.

The objectives of rural development are diagrammatically shown



Rural development according to World Bank is a strategy designed to improve the economic and social life of a specific group of people- the rural poor. It involves extending the benefits of development to the poorest among those, who seek a livelihood in the rural areas. The group includes small scale farmers, tenants and landless (World Bank, 1985).

The large part of Indian population is poor and their present condition is desparate. Majority of them are victims of a vicious cycle of poverty, illiteracy, malnutrition, and insanitary living conditions. Hence,

the development of the rural area is of prime importance and it is vital to survival of the developing world and of the world as a whole. Despite substantial and impressive increase in growth of agriculture and food outputs in India, the plight of the landless labourers and small farmers has not yet been improved significantly (Tripathi, 1987).

B. Banking and Rural Development in India:

Infrastructure plays a crucial role in the promotion of growth in a developing economy. Among the infrastructure, banks occupy a prominent place as they provide the necessary finance which lubricates the wheels of development. Credit is the king-pin of industrialisation in any of economy's progress because without it the economy either grinds to a halt or moves very slowly. Realising the importance of banking institution to the economy and to direct the banks on development trajectory, the Government of India brought fourteen scheduled commercial banks under its ownership along with its own State Bank of India - all to work under the direct control and supervision of the Reserve Bank of India. After nationalisation of banks on 19, July 1969, the banks have made an appreciable progress both in quantitative and qualitative terms.

One of the objectives of nationalisation of banks is to spread bank branches to rural areas so as to make banks rural development oriented and priority sector prone. Further the Government wanted to make rural people bank-minded by making their occupation more of an industry than a way of life.

The Integrated Rural Development Programme and other special programmes of weaker sections would be integrated with the District credit plans, as per the new guidelines of RBI. The RRBs in the district, therefore, would play an important role both in the formulation, and implementation of District Credit Plans and annual action plans.

The RBI had undertaken recently a study regarding qualitative assessment of RRBs performance and came to a favourable opinion. The report observed that the basic aim of establishing Regional Rural Banks (RRBs) has been largely fulfilled in terms of developing rural economy by providing credit to agriculture, trade, commerce, industry and other productive activities in rural areas and in particular to the small/marginal farmers, agricultural labourers, artisans and small enterprises. The study further indicated that these banks had succeeded

in maintaining their image as a weaker section's bank by restricting their credit facilities to the largest groups. (Munirathna Naidu,K.) 1987.

Banks were informed that mere formulation of schemes would be meaningless unless benefits under these schemes reached the weaker sections of society. It was emphasised that there should be a close coordination between banks and the local administrative authorities in the identification of the beneficiaries and the formulation of schemes for financing such identified beneficiaries. The roles to be played by the lead banks as well as the District consultative Committees were also elaborated.

In his address to Parliament on 23rd January 1980, the President Observed:

"The Government is conscious of its duty to the weaker sections of society. The 20-point Economic Programmes which had proved a boon to the poor, the landless, the artisans, handloom weavers, scheduled castes, scheduled tribes and other socially backward sections, will be revitalised and implemented in a dynamic manner".

In his address to the bankers on 6th March 1980, the Finance Minister underscored the need for the active participation of banks in the implementation of the 20-point programme. (Vasant Desai,1988).

It all began in July, 1969, when 14 banks were nationalised with the objective that the benefits of economic growth should percolate to the grassroots. It was realised that the vast millions of the poor needed adequate financial support from the banking institutions to better their consumption level and improve the quality of their life. This was the basic philosophy that underlay the programmes formulated by various banks to help people belonging to the lower socio-economic strata or backward regions. The loans offered under the differential rates of interest sought to lend a helping hand to the weaker sections of society in augmenting their income by engaging themselves in gainful economic activities. A concessional interest rate was offered in order to alleviate the chronic indebtedness of the millions of rural farmers and artisans and eliminate the vicious role played by the spurious money lender-

(Ravindran Nair, G. 1985)

Patil (1985) exhorts that the Union Bank of India, through its Rural Development Department and its social welfare schemes, has been providing loans to generate incremental income and for the creation of additional employment potential for the weaker sections of society.

The bank has been making concerted efforts to implement the various anti-poverty programmes in order to reach the largest number of families living below the poverty line. So far they have financed over 4.32 lakh people belonging to the weaker sections of the society giving them an assistance to the tune of Rs.91 crores till March, 1984.

Over the years, the bank has also gone ahead with programmes of village adoption in order to increase productivity and income of the village through credit and services and institutional arrangement. The basic idea of village adoption is to make the villages as supporting units. The different branches of the bank have been organising social welfare activities, provision of health cover through dispensaries, creation of awareness on personal hygiene, nutrition, sanitation, etc., Even adult literacy classes have been organised in some of the villages. Till December, 1983 the bank had adopted 1,163 villages through its various branches. Branches located in areas predominantly inhabited by scheduled castes and scheduled tribes have put in special efforts for bringing the potential borrowers within the banking fold through the village adoption scheme.

As a special concession to scheduled castes and scheduled tribes, banks have been asked to ensure that atleast 40 per cent of the credit under DRI scheme be in their favour. Under IRDP the

number of beneficiaries as well as the quantum of credit in favour of scheduled castes and scheduled tribes should be atleast 30 per cent. Housing loans upto Rs.5,000/- at 4 per cent annual rate of interest are to be given to scheduled castes and scheduled tribes. Only in the case of scheduled tribes, the subsidy component is higher and the ceiling of subsidy per case is also more. Under self-employment scheme like Self Employment Programme for Urban Poor (SEPUP) and Self Employment for Educated Unemployed Youth (SEEUJ) a target of 30 per cent of scheduled castes and scheduled tribes beneficiaries has to be achieved both in number as well as in amount. (Pramod, Bhatnagar S. 1990).

The nationalisation of 14 major commercial banks on July, 1969 marked a turning point in the history of the banking system in India. At this juncture the banks were required to convert themselves into an instrument for social development and well being. The Government and Reserve Bank of India placed before the banks certain social goals and asked to increase the level of their advances to priority sectors, so that the same constitutes one third of their total advances.

Government has also formed a scheme under which loans are given to very poor at differential rates of interest. Priority sector advances rose from Rs.504 crores in June, 1969 to 6729 crores in March, 1980).

All the beneficial schemes of the Government to the poorer sections of the society and priority sectors is implemented through the commercial banks. Schemes for providing Self-employment to educated unemployed youth was announced by the late Prime Minister Smt. Indira Gandhi on August, 15 1983 with a view to solve the educated unemployment problems in India. Implementation of this scheme was entrusted to banking division of Ministry of Finance. Targets for the implementation of the scheme is fixed by the Government at State level and then at District level (Kalavathi, 1989).

Sreeraman T.J. (1988) says that banks have a very vital role to play in this area. Previously for the assetless poor in the rural areas, the prospects of managing a loan from the orthodox banking institutions was a very distant idea. The alternative was to borrow from the infamous money lenders at outrageous interest rates and in the process getting condemned as bonded labourers. It was after realising this fact that Smt. Indira Gandhi nationalised the then 14 major banks and made

available loans to the weaker sections of the society at low rates of interest. The Government later on arranged a number of loan melas and distributed loans to the poor peasants and artisans for their welfare and development.

Commercial banks are associated with the financing of the national importance scheme for the creation of self-employment among the rural youths of the country. An attempt has been made to find out the extent of finances made by the commercial banks under the scheme and also to know operational and other difficulties in order to take correct steps in time so that scheme implementation may be improved.

The identification of wide range of activities for self-employment should be done in accordance with the suitability of local needs/scope. Activities/trades should not be selected merely on the basis of availability of training facilities rather than on the basis of prospects for self-employment. Only those rural youth from the target group should be selected who are in real need for self-employment and have true spirit in establishment of ventures. B.D.Os in fact are the coordinating officers for designing

and execution of the entire scheme. Hence they may contribute a lot in making the scheme a success by making proper identification of activities and persons.

(S.D. Mishra, 1985).

C. Assistance for Self-Employment Opportunities for Scheduled Caste People:

The constitution of India made certain special provisions for the welfare and development of the Scheduled Caste and Tribes, in view of the peculiar nature and extent of the social and economic disabilities suffered by these groups.

"In pursuance of these constitutional safeguards, the Planning Commission and the Government of India, have been issuing guidelines right from the introduction of the First-Five-Year-Plan to the State Governments to see that benefits flowing to the people under the general sector go to the weaker sections in general and scheduled castes and scheduled tribes in particular, realizing that the supplementary grants given to the welfare departments are meant only for taking up certain special programmes for the speedy progress of these people". This was specially intended to reduce the disparities between

the Scheduled castes and the rest of the population, in different spheres of development implemented either seriously or with sincerity.

Some of the developmental measures have affected the women adversely, particularly those belonging to the scheduled castes. It is well known that the scheduled castes and tribes constitute the 'Core' of the weaker sections of our society. The women in this group are compelled to work for their mere survival. Hence the decline in the female work participation rates as seen from the 1971 census, cause much concern, for the scheduled castes women form a major chunk of our female work force.

A large proportion of them work as landless labourers, share croppers or even as bounded labourers in rural areas and as casual labourers in quarries, construction works, domestic menials and other low paid jobs in urban areas.

In addition to agriculture, household industries was another important sphere of activity in which the rural women were engaged. Rice pounding and processing spinning, dyeing, weaving, pottery, bangle-making, baskets and mat weaving, toys etc., were some of the more common activities which provided some succour to these families particularly during the lean period. Besides women could carry out these activities in their own homes or neighbourhood, with the co-operation of their family members.

Scheduled caste and scheduled tribe Development Corporation can play a vital role in improving the position of the scheduled caste women.

Recent studies in Karnataka shown that quite a large number of the hired women workers in the silk reeling activity belonged to the scheduled castes. The scheduled castes and tribes development corporation can play a big role by providing financial aid and training some of the scheduled castes families, both in mulberry growing and cocoon production. It could also provide silk reeling units for those families who cannot produce the cocoons. (Usha Rao,1985).

The given statistical profile and the research findings, however, act as the eye opener on the alarming work condition of rural female work force. The situation, indeed, asks for providing women with gainful alternative economic activities required to supplement their family income, and thereby ensure peace and happiness in their families. Generation of self-employment opportunities is the best possible alternative to bring the bulk of our population in the mainstream of national life.

Self-employment is a must for the socio-economic uplift of rural women. (Government of India 1987).

Unemployment and underemployment have been identified as the major contributory factors for the very high incidence of poverty in the rural areas of the country. It was precisely for this that the sixth Five Year Plan adopted a two-pronged strategy towards eradication of poverty which aimed at redistribution of income and consumption in favour of the poorer segments of the rural people by significantly increasing employment opportunities in the rural areas through creation of a) Wage employment opportunities under the National Rural Employment Programme (NREP) and the Rural Landless Employment Guarantee Programme (RLEGP) and b) Self employment opportunities under the Integrated Rural Development Programme (IRDP) and some other areas and for skill development programmes reflected in sectoral plans. (Angsuman Basu) 1990.

The aim of the Seventh Plan is<sup>to</sup> to continue the thrust towards the socio-economic development of the scheduled castes and tribes to give them occupational mobility and economic strength. Programmes have been designed to fulfil their minimum needs, and there is

emphasis on the integration of different sectoral development programmes. Special attention will be given to assist this segment of the population to cross the poverty line.

The emphasis on beneficiary oriented programmes and schemes for the socio-economic uplift of the scheduled castes and tribes will continue but it is necessary to recognise that the strategy has to cater to two broad occupational categories, namely, those engaged in land based activities and those engaged in non-land-based activities. (Vasant Desai 1988).

The studies carried out with regard to Bank assistance for self-employment opportunities to weaker sections are presented in the form of following case studies.

a. The employment Guarantee Scheme (EGS) of Maharashtra introduced in 1972 was seen initially as a relief measure (started to meet the drought conditions) than a direct attack on poverty and better income distribution. These elements unfolded later as the programme went ahead and was substantially expanded and evaluated. (Shah, S.M. 1989).

b. The Food for Works Programme (FFW) was path breaking in this respect with enlarged availability of food grains in our buffer, Government pushed the food for works programme more vigorously throughout the entire country. The evaluation done by the Programme Evaluation Organisation (PEO) of the Planning Commission was favourable in that it was noticed that the food for work programme had resulted

in generating employment and incomes for the poorer sections viz., the landless labourers, 'small and marginal farmers etc. The scheduled castes and scheduled tribes households were particular beneficiaries and improve their nutrition. ( - Vithal, C.P. 1989).

c. Chaturvedi, Y.S., et al., had studied a beneficiary of the TRYSEM in Gujarat and found that the beneficiary has been repaying the loan regularly as he is earning a good income throughout the year by working along with a group of carpenters on contract basis in construction of houses and furniture making. After repaying the present loan he is planning to take a second loan in order to establish a furniture show room in his own village.

d. Venkateswar R., Gollapudi Badaiah, belongs to a poor scheduled caste family of 113 Jalluru, of Gunture District. He is aged about 30 years and studied upto VIIth class. Even though he comes from a traditional tanners family, he could not continue his traditional occupation as there was no demand to the products prepared by the locally tanned leather. Thus during the agricultural season, he used to work as an agricultural cooly and during non-season, he used to work as an agricultural cooly and during non-season, used to attend

all sorts of other works in the village, earning income by daily wages which is hardly sufficient to satisfy the minimum needs of his four membered family.

One day at Phirangipuram, the Block head quarters, he heard that some scheduled castes candidates are being selected for training under TRYSEM Programme. He approached to Block authorities and was selected for training after an interview. He was deputed for training at district level training centre, Guntur in foot-wear trade for a period of six months with a stipend of Rs.125 per month.

During the training, he learnt to manufacture various types of leather goods, foot-wear etc. After the successful completion of the training, the Bank of Maharashtra came forward to assist him. An amount of Rs.5,000/- was sanctioned to him, Rs.2,334/- as a loan by the Bank of Maharashtra, Rs.1666/- as a subsidy by the D.R.D.A. and Rs.1,000/- as a margin money for scheduled castes co-operative society, Guntur.

With this financial assistance, he purchased "Merrit" leather stitching Machine for Rs.2250 and raw material like upper leather, micro cellular sheets, solution etc., With the balance he selected Phirangipuram Village for his shop as it is located on Guntur Vihukonda road with large floating population.

Venkateswar with his hard work and quality chappals, attracted large number of customers to phirangipuram. At present, he is earning more than Rs.600 per month. He promptly repaid the bank loan. Thanks to the TRYSEM, for brightening his career and the lives of many young people in rural areas.

e. Bank helps to Alleviate Rural Poverty

Abhimanyu Raulo of village Girisola in Chikiti Block of Ganjam District was doing temple service in the village to maintain his family consisting of four members. But it was very difficult to maintain the family with the little income from the temple. The day an idea struck to his mind.

He thought of opening a grocery shop in his village. But money stood in his way. He ran to the Girisola branch of the Andhra Bank for assistance. The bank came forward to help him in his distress. He was sanctioned a loan of Rs.2,000 with 1/3rd subsidy at 10 per cent rate of interest for the same purpose under the Integrated Rural Development Programme.

His endeavour succeeded and his business ran well. He repaid the loan to the bank. Being satisfied with his repayment, the bank further advanced a loan to the tune of Rs.3150 with Rs.666 as subsidy at 10 per cent rate of interest to improve his business. His average income now varies from Rs.30 to 35 per day. He is now maintaining his family happily and has already repaid Rs.800 towards his bank dues. Patra, S. 1990.

f. Sundaram Subramanian 1985, Canara Bank's Second Gram Seva Kendra in Madurai District was opened in the hill temple town of Palani on 30 March 1984. Loans amounting to Rs.557 lakhs to 169 beneficiaries under I.R.D.P. Self-employment scheme, etc., was given on the opening day. Ninety per cent of the beneficiaries were women and Harijans.

Palani Branch of the Canara Bank granted Rs.20 lakhs IRDP loan during 1982-83 and secured second. Best Branch performance award in the Madurai District, since inception of the IRDP in 1980-81. Palani Branch of the Canara Bank advanced Rs.32 lakhs loan to 1190 rural poor of the Palani Taluk such as marginal farmers, dairy farmers, shepherds, village artisan S.Bullock cart drivers and petty tradesmen etc., as against the targetted loan amount Rs.17.5 lakhs for the four year period ended

March 1984. In addition to these IRDP loan, 98 villagers were given Rs.5 lakhs loans during the last four years for the special schemes, viz-sericulture, biogas, tobacco and self-employment, by the Palani Branch of Canara Bank.

g. Ratan Singh (1985) says that there was a time when Nathu Cobla, resident of village Saira in Udaipur District (Rajasthan) was surrounded by a battalion of misfortunes, His father was mentally retarded, younger brother handicapped and he himself was also handicapped. His family comprised these three members. None of them was of any help to the others. His legs were too weak to carry the load of his body and consequently he was feeling too weak to carry the load of his life.

But in spite of all these averse circumstances, Nathu had a desire to live and an aspiration to become useful for the society. He used to go to the local busstand with slow movements with the help of his hands. There he used to polish and mend old shoes. But he could not earn any worth while income because, first he was not regular to go the bus-stand as he could not move easily; secondly, he was too poor to have boot polish and tools even, for mending the shoes.

It was under these circumstances that he came into contact with Shri.A.L. Dangi, Branch Manager, State Bank of Bikaner and Jaipur, Saira, Shri Dangi, while on evening walk, used to watch Nathu. His experienced eyes noted a strong will and determination in him. One day he talked to him and offered him a loan of Rs.2000 to promote his job. Poor Nathu did not believe it at first. But when the Bank Manager convinced him that he meant what he said, he came forward to accept his offer. So, the bank advanced him a loan and the rest of the amount was to be repaid in easy instalments. Even after advancing the loan, the bank manager Shri.A.L.Dangi saw to it personally that the amount was spent for the right cause. He guided Nathu to purchase leather and tools. He also helped him constructing a wooden shop. He used his personal influence to procure materials for his wooden shop at Cheap rates.

Now that Nathu has got his own shop he comes to his business regularly. He makes night halts in the shop itself to reduce the difficulty of movements. Moreover, he can purchase enough leather to keep him busy. Now, besides mending and polishing old shoes, he makes new shoes

also. His younger brother also helps him in his work. Thus he is earning good income to buy the necessities of his family. No only this, on the advice of the bank manager he has opened a 10 p.m. in the bank. He is also very regular in repaying the instalments of his loan. He has got a deep faith in the bank and follows every sincere advice of the bank officials.

## Methodology

### III METHODOLOGY

The study on the extent of utilization of financial assistance by Scheduled Caste families for Development Programmes in Kannappa Nagar was a factual one based on the primary data collected from the beneficiaries. As such a survey method was utilised and the required information was collected by conducting interviews on the beneficiaries and administering the questionnaire to the managers of the banks.

The procedures adopted comprised the following steps:-

1. Selection of the Area
2. Selection of the sample
3. Selection of the methods
4. Selection of the tools
5. Developing the tools
6. Finalising the tools
7. Administering the tools
8. Organising, tabulating and analysing the data.

#### 1. Selection of Area

Avinashilingam Deemed University had assisted the Scheduled castes families of Kannappa Nagar in getting loans from different agencies for carrying out development

programmes as part of its National Literacy Mission activities. As a follow up of the services rendered, it was decided to select that area to find out to what extent those families had availed the loans and to what extent they **had been benefited.**

2. Selection of the Sample:

The sample for the study consisted of all the Scheduled Caste families of Kannappa Nagar who had availed the loans from the different agencies.

3. Selection of Method:

To collect particulars and other details from the Bank Managers, questionnaire method was selected. As the beneficiaries included illiterates, interview method was selected to collect information from the beneficiaries. This was followed by an observation with the help of Observation Sheet.

4. Selection of Tool:

The study demanded detailed information regarding extent of utilisation of financial assistance by the Schedule caste families for development programmes. Interview method was ~~adopted~~ to gather the information. According to Vastayayan (1984) an interview is a face-to-face conventional exchange where one person elicits information from another.

Sidhu (1985), opines that an interview is a two-way method which permits an exchange of ideas and information. It is unique that it involves the collection of data through verbal interaction between the interviewee and the interviewer.

5. Developing the Tools:

To obtain particulars from the beneficiaries about the extent of utilization of financial assistance by Scheduled castes families for development programmes a Schedule was prepared. It consisted of the background information of beneficiaries, loan obtained and the utilisation of the loans. (Appendix - I).

A questionnaire to get details about the types of loans given to the Scheduled castes and Scheduled Tribes and other particulars about the assistance to the Scheduled castes and Scheduled Tribes, the pattern of repayment etc., was evolved to be administered to the managers of the bank. (Appendix - II).

An observation sheet to observe the actual utilization of the loan amount by the beneficiaries was developed. (Appendix - III).

6. Finalising the Tools:

After developing the tool, it was given to a panel of experts to review the wording and format of the schedules. It was found that some questions relating to new information

needed to be included and some redundant questions omitted. The final tools were thus evolved making necessary changes and modifications in the light of the opinion given the panel.

7. Administering the Interview Schedule and Conducting the Interview:

The investigator contacted the informants personally and explained the purpose of the study. Rapport was created with the people by visiting their families. The rapport thus created helped for easy conduct of the study. All the information sought in the Schedule were obtained with ease by the direct interview method.

To substantiate the information collected by the method, observation was done along with it. Observation seeks to ascertain what do they have and do by watching those in action as they express themselves in various situations and activities. It is a more natural way of gathering data (Gosh, 1985).

The managers of the Banks were personally contacted by the Investigator and after explaining the purpose of the study, they were asked to fill in the questionnaire.

8. Organising, Tabulating and Analysing the Data:

The data collected were consolidated, tabulated and analysed in detail and are presented in the next chapter.

## Results and Discussion

#### IV RESULTS AND DISCUSSION

The study of extent of utilization of financial assistance by the scheduled caste families for Development Programmes was carried out in a systematic manner by administering a Questionnaire to the bank authority who had given loan to 37 scheduled castes of urban slum in Kannappa Nagar, Coimbatore. By interveing the beneficiaries who had availed the loan for furthering their shops or starting self-employment programmes. The data collected are presented and analysed under the headings.

- A. Responses given by the bank authorities
- B. Responses as given by the beneficiaries
  - i) Background information of beneficiaries
  - ii) Loan benefits
  - iii) Utilization of loans

A. Responses given by the bank authorities:

The investigator administered the evolved questionnaire to the managers of State Bank of India, Karur Vysya Bank and Indian Bank Coimbatore, which had given loans to the poor scheduled castes under self-employment schemes.

These banks had given loans to 37 scheduled castes members. Table I gives the number of persons to whom the loans had been given by different bank.

TABLE I

## NUMBERWISE DISTRIBUTION OF BENEFICIARIES FROM BANKS

S.No.	Name of Bank	Number of Persons	Percentage
1.	State Bank	15	40.54
2.	Karur Vysya Bank	18	48.64
3.	Indian Bank	4	10.81
		37	

Among the 37 beneficiaries taken for the study, 40.54 per cent of the beneficiaries received the loan from the State Bank, 48.64 per cent received the loan from the Karur Vysya Bank, and the rest 10.81 per cent received the loan from the Indian Bank for improving their standard of living. The 48.64 per cent with the help of THADHCO received the loan from the bank.

It is interesting and encouraging to note that 36 out of 37 to whom the loan has been sanctioned were women. It is more gratifying to note that women in rural and slum areas had come forward to avail loan facilities to start self employment schemes.

The bank had provided loan under integrated rural development programme (IRDP), Self Employment Programme for Urban Poor (SEPUP), District Rural Industries (DRI), Shree Sakthi Package (SSP), etc.

The scheme of assistance in the form of loan was started at the time of Nationalisation in 1969.

Publicity for providing loan was done as Advertisement in Newspaper, seminar, camps and direct contact.

The loan was not provided to all the people. It was depended upon the people and the project they had undertaken.

The loan facility was provided on the basis of caste and economic status.

Provision of loan was confined to both people's living in rural as well as in the urban areas.

The bank provided financial assistance to working capital, purchase of machinery and other equipments under self-employment especially to schedule castes.

The maximum amount of loan given by the bank was Rs.5,000/- but it usually depended upon the scheme and the business they have undertaken.

The procedures for availing loans were, the income not to exceed Rs.6400/- in rural areas and in semi urban areas Rs.7200/- and posses ration card and his or her name should be in the ration card of public distribution system.

The loan were sanctioned to the people with some one standing as surity and not with the mortgage of property.

The rate of interest varies according to their caste, socio economic status and the project undertaken. It varies from 4 per cent, 10 cent, 12 per cent and 15.5 per cent applicable to public.

Subsidy was given from the bank to scheduled castes and scheduled tribes people's through THADHCO agencies.

The rate of subsidy varied from each category of people from 25 per cent to 50 per cent. If the loan was given through THADHCO they were given a subsidy of 50 per cent, whereas for others who get the loan directly from the bank it was 25 per cent.

The bank insisted on the beneficiaries to execute a bond/agreement, stockmachinery and in some cases undertaking guarantee letters to avail the loans.

The time taken to sanction the loan was 15 to 30 days.

The bank sanction loan after getting particulars from the area and inspecting the place.

The amount of loan varied for each category.

The duration of time stipulated by the banks to repay and clear the loan was 36 months.

The beneficiaries had to repay/clear the loan amount through monthly instalments.

The managers had said that only 15 to 20 per cent of the beneficiaries had repaid the instalments amount regularly.

The monitoring with regard to proper utilization of loan amount and the repayment of the loan was done by the banks occasionally. The bank was authorised to take legal actions if the repayment was not done regularly for clearing the loan.

The banks could also sanction further and increased loan to the same persons if they had cleared their earlier loans regularly.

The bank managers had stated that the beneficiaries had utilized the loan for which they had obtained the loans and the fact that the banks were satisfied with this through the monitoring system.

Majority (34 out of 37) beneficiaries had really benefited from this scheme.

With regard to suggestions for efficient functioning of the loan system through which the poor could benefit, the bank managers had given the following.

- a. The government, the banks and the voluntary agencies should create awareness amongst slum and rural people of the different schemes for starting self-employment programme through publicity and propoganda.
- b. The people should understand the scheme properly.
- c. Guidance with regard to self-employment career and the formalities through which the loan could be availed and the repayment pattern should be given.
- d. The beneficiaries must be counselled to repay the loan in time and improve their carrier by getting further loans.

B. Responses as given by the beneficiaries:

The three banks, namely, State bank, Karur Vysya bank, and Indian Bank had given loans for starting self-employment careers to 37 scheduled castes people of Kannappa Nagar (Slum area) Coimbatore district of whom 36 were women and one man.

i) Background Information of Beneficiaries:

Out of 37 households taken for the study 6 persons belonged to joint family and the remaining 31 persons, belonged to nuclear family.

TABLE II  
AGEWISE DISTRIBUTION

S.No.	Age range	Numbers	Percentage
1.	20 - 30	20	54.05
2.	31 - 40	8	21.62
3.	41 - 50	7	18.91
4.	Above50	2	5.40
		37	

Out of 37 beneficiaries selected for the study 54.05 per cent belonged to the age group of 20 to 30, 21.62 per cent belonged to the age group of 31 - 40, 18.91 per cent belonged to the age group of 41 - 50, and the rest 5.40 per cent were above 50 years of age.

Among the 37 beneficiaries taken for the study 13 of them were literates and the rest 24 were illiterates.

Among the 37 taken for the study, majority (34) of the people were working as coolie's, daily wage earners and the other 3 were working in factories or companies.

Out of 37, majority (34) of the members had an income ranging between 3000 to 4000 per annum and the rest 3 members income ranged from 4000 - 5000 per annum.

ii) Loan Benefits:

TABLE III  
PURPOSE FOR GETTING THE LOANS

S.No.	Purpose	Number/ of persons	Percentage
1.	Vegetables and greens	20	54.05
2.	Gunny bags and others	6	16.2
3.	Petty Shops	4	10.81
4.	Cycle Shops	3	0.81
5.	Coconuts	2	5.40
6.	Selling of aluminium articles	2	5.40

# PURPOSE FOR GETTING THE LOANS

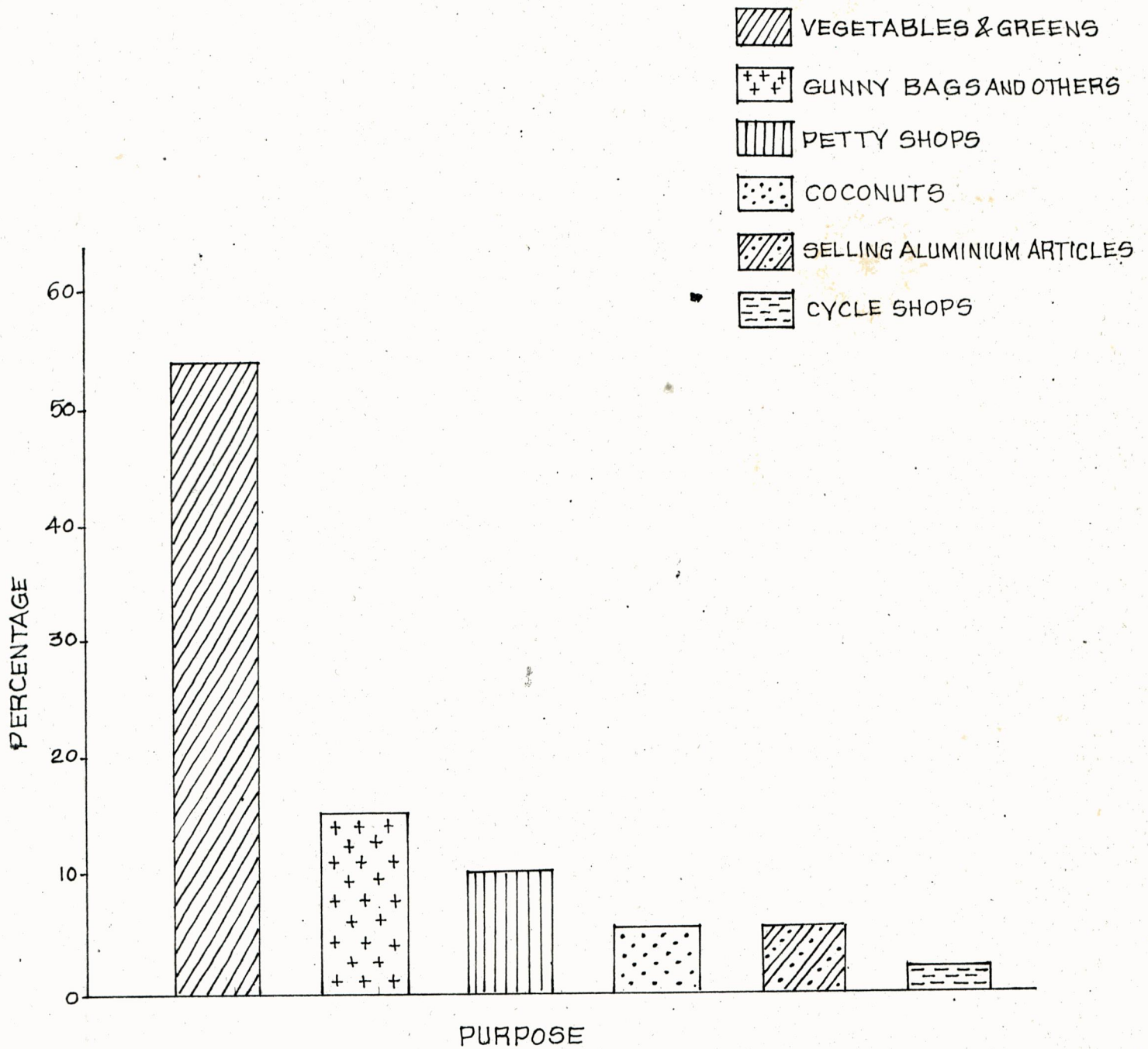


Figure. 1



FIG.2 A WOMAN BENEFICIARY DOING VEGETABLE BUSINESS.



FIG.3 A WOMAN BENEFICIARY DOING PETTY SHOP BUSINESS.





FIG. 6 A WOMAN BENEFICIARY DOING ALUMINIUM  
UTENSILS BUSINESS.

Out of 37 selected for the study, 54.05 per cent got the loan for the purpose of selling vegetables and greens, 16.2 per cent for the purpose of selling gunny bags and others, 10.81 per cent for keeping petty shops, 0.81 per cent for keeping petty shops, 0.81 per cent for keeping cycle shops, 5.40 per cent for the purpose of selling coconuts and 5.40 per cent for selling aluminium articles.

Amount of money sanctioned to beneficiaries is presented in table - iv.

TABLE IV  
AMOUNT OF MONEY SANCTIONED

S.No.	Amount Rs.	Number of Persons	Percentage
1.	1,000	19	51.35
2.	600	2	5.40
3.	500	16	43.24

Among the 37 selected for the study 51.35 per cent were sanctioned an amount of Rs.1,000, 5.40 per cent were sanctioned an amount of Rs.600 and the rest 43.24 per cent were sanctioned an amount of Rs.500.

iii) Utilization of loans:

It was found that all the 37 beneficiaries were utilising the whole amount that had been sanctioned to them for the purpose for which they had obtained the loans.

While the loan had been sanctioned to the beneficiaries, the beneficiaries agreed to all conditions of loans. All beneficiaries had stated that they had agreed to the conditions for which the loan had been sanctioned. They had executed an agreement to this effect also.

It was found that out of 37 beneficiaries selected, only 28 persons were repaying the loans regularly. The rest 9 of them were irregular in repaying it.

The duration of time for all the 37 beneficiaries to repay the loan was given as 36 months.

The beneficiaries had stated that they were repaying the amount for getting clearance of the loan in monthly instalments. Those who had obtained a loan of Rs.500, their monthly repayment instalment amount was Rs.25 to 50, whereas Rs. 1000 loan carried an amount of Rs.50 to 100 per month.

The rate of interest for the loan obtained ranged from 4 per cent to 10 per cent.

It was found that majority (34) of the beneficiaries were satisfied with the amount that they had obtained as loans.

All the beneficiaries had stated that the standard of living in their families had improved because of the self-employment and some four had repaired their thatched houses also.

All the 37 beneficiaries intended to get further increased loan after clearing the loans from the bank.

With regard to suggestions for better utilization of loan facilities from the bank, 30 had stated that more amount to the tune of Rs.5000 may be given. They had also suggested that the conditions and the restrictions may be liberalised. For regular repayers of the loan further loans could be given even when partial clearance of the loan is made.

## Summary and Conclusion

## V SUMMARY AND CONCLUSION

The study of "The extent of utilization of financial assistance by the scheduled caste families for Development Programmes" was carried out at Kannappanagar, an urban slum, in Coimbatore District.

The total sample selected for the study was 37 scheduled castes of urban slum in Kannappa Nagar, Coimbatore who had availed the loan facilities from banks.

The Summary of the Findings are discussed as follows

- A. Responses given by the bank authorities.
- B. Responses as given by the beneficiaries.
- A. Responses Given by the Bank Authorities:

The State Bank of India, Karur Vysya Bank and Indian Bank Coimbatore had given loans to the poor scheduled castes under Self-employment Schemes."

These banks had given loans to 37 scheduled castes members. Among the 37 beneficiaries taken for the study, 40.54 per cent of the beneficiaries had received the loan from the State Bank of India, 48.64 per cent had received loan from The Karur Vysya Bank and 10.81 per cent had received the loan from the Indian Bank for improving their standard of living. It is interesting and encouraging to note that 36 out of 37 were women.

The Bank had provided loan under Integrated Rural Development Programme (IRDP), Self-employment programme for Urban Poor (SEPUP), District Rural Industries (DRI), Stree Sakthi Package (SSP) etc.

The scheme of assistance in the form of loan was started at the time of nationalisation of banks in 1969.

Publicity for providing loan was done through advertisement in Newspapers, Seminars, Camps and direct contact.

The loan was not provided to all the people. It depended upon the people and the project they had undertaken.

The loan facility was provided on the basis of caste and economic status.

Provision of loan was confined to both peoples living in rural as well as in the urban areas.

The bank provided financial assistance to working capital, purchase of machinery and other equipments under self-employment especially to schedule castes.

The maximum amount of loan given by the bank was Rs.5000/- but it usually depended upon the scheme and the business they had undertaken.

The eligibility requirements for availing loans were that the income should not exceed Rs.6400 in rural areas and in semi-urban areas it was Rs.7200 and they should possess ration cards with their names in it.

The loan was sanctioned to the people with some one standing as surity and not with the mortgage of property.

The rate of interest varies according to their caste, socio-economic status and the project undertaken.

Subsidy was given from the bank to scheduled caste and scheduled tribe people through THADHCO agencies.

The rate of subsidy varied for each category of people from 25 per cent to 50 per cent.

The bank insisted on the beneficiaries to execute a bond/agreement, stock machinery and in some cases undertaking guarantee letters to avail the loans.

The time taken to sanction the loan was 15 to 30 days.

The bank sanctioned loan after getting particulars from the area and inspecting the place.

The amount of loan varied for each category.

The duration of the time stipulated by the banks to repay and clear the loan was 36 months.

The beneficiaries had to repay/clear the loan amount through monthly instalments.

The Managers had said that only 15 to 20 per cent of the beneficiaries had repaid the instalments amount regularly.

The monitoring with regard to proper utilization of loan amount and the repayment of the loan was done by the banks occasionally. The bank was authorised to take legal actions if the repayment was not done regularly or if they fail to clear the loans.

The banks could also sanction further increased loan to the same persons if they had cleared their earlier loans regularly.

The bank managers had stated that the beneficiaries had utilized the loan for which they had obtained the loans and the fact that the banks were satisfied with this through the monitoring and inspection system.

Majority (34 out of 37) of beneficiaries had really benefitted from this scheme. Their standard of living had also improved.

B. Responses As Given By The Beneficiaries:-

1) Background Information of Beneficiaries:

Out of 37 households taken for the study, 6 persons belonged to joint family and the remaining 31 persons belonged to nuclear family. 54.05 per cent belonged to the age group of 20 - 30, 21.62 per cent belonged to the age group of 31 - 40, 18.91 per cent belonged to the age group of 41 - 50, and the rest 5.40 per cent were above 50 years of age.

13 out of 37 were literates and the rest 24 were illiterates. Majority (34) of the people were working as Coolie's and daily wage earners and the other 3 were working in factories or companies. Majority (34) of the members had an income ranging between Rs.3,000 to 4,000 per annum and the others had an income from 4,000 to 5,000 per annum.

ii) Loan Benefits:-

54.05 per cent had availed the loan for the purpose of selling vegetables and greens, 16.2 per cent for the purpose of selling gunny bags, 10.81 per cent for starting petty shops, 0.81 per cent for cycle shops, 5.40 per cent for the purpose of selling coconuts, and 5.40 per cent

for aluminium articles. 51.35 per cent were sanctioned loan amount of Rs.1,000 by the banks, 5.40 per cent were sanctioned an amount of Rs.600 and the rest 43.24 per cent were sanctioned an amount of Rs.500.

iii) Utilization of Loans:-

It was found that all the 37 beneficiaries were utilizing the whole amount that had been sanctioned to them for the purpose for which they had obtained the loans.

At the time of getting loans all the beneficiaries had agreed to abide by the conditions of loans. They had executed agreements to this effect also.

It was found that out of 37 beneficiaries selected, only 28 persons were repaying the loans regularly. The rest of them were irregular in repaying it. The banks were persuading them to repay the loans.

The duration period for the repayment of loan was 36 months.

The beneficiaries had stated that they were repaying the amount for getting clearance of the loan through monthly instalments. Those who had obtained a loan of Rs.500, their monthly repayment instalment amount was Rs.25 to 50, whereas Rs.1,000 loan carried an instalment amount of Rs.50 to 100 per month.

The rate of interest for the loan obtained ranged from 4 per cent to 10 per cent. Majority (34) of the beneficiaries were satisfied with the amount that they had obtained as loans. Only one female has cleared the loan amount and the rest 36 were still continuing to pay.

All the beneficiaries had stated that the standard of living in their families had improved because of the self-employment and four had repaired their thatched houses also.

All the 37 beneficiaries intended to get further increased loans from the banks after clearing the present loans.

The Following Recommendations Emerged from The Study:

- a. The Government, The banks and the voluntary agencies should create awareness amongst slum and rural people of the different schemes for starting self-employment programmes through publicity and propaganda.
- b. Guidance with regard to self-employment career and the formalities through which the loan could be availed and the repayment pattern should be given.

- c. The beneficiaries must be counselled to repay the loan in time and improve their career by getting further loans.
- d. More amount to the tune of Rs.5,000 may be given and the conditions and the restrictions may be liberalised. For regular repayers, the loans could be given even when partial clearance of the loan is made.
- e. The DIC, CODISIA, THADHCO and other such agencies should publicise many schemes for which loan/ assistance are given and also organise training programmes to the women, youth and others of scheduled castes and scheduled tribes and motivate them for providing such self-employment careers.

Conclusion:

It is nearly 44 years since we have attained Independence. Still there persists many social inequalities specially in rural areas. Being the centenary year of Dr.B.R.Ambedkar, the architect of the Constitution of India and social ~~revolutionist~~ the Government of India

should take efforts to encourage the people belonging to scheduled castes and scheduled tribes communities to raise their standard of living by giving training and providing opportunities for many self-employment careers which can rise their financial position.

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## Appendix

# APPENDIX - I

INTERVIEW SCHEDULE TO ELICIT INFORMATION FROM THE BENEFICIARIES ON THE EXTENT OF UTILIZATION OF FINANCIAL ASSISTANCE BY THE SCHEDULED CASTE FAMILIES FOR DEVELOPMENT PROGRAMMES

Name of the Investigator:

Date:

## I Area:

1. Name of the District:
2. Name of the Taluk :
3. Name of the Slum :

## II General Information:

1. Name of the Interviewee/  
Name of the Interviewer:
2. Name of the head of the family:
3. Address:
  
4. Occupation of the head of the family:
  
5. Type of family: Joint  Nuclear



If no give details

11. Have you agreed to all the conditions stipulated by the banks?

Yes  No

12. Do you think that you will be able to fulfill all these

conditions?

Yes  No

13. Do you remit the instalment amount regularly?

Yes  No

If no, give reasons

14. In how many instalments you have promised to repay the loan?

15. What is the instalment amount?

16. What is the rate of interest you have to pay?

17. Are you satisfied with the amount you had sought for?

Yes  No

18. Have you cleared the loan by paying all the instalments?

Yes  No

If yes, how much?

If no, give reasons

19. Did you inform the bank and get the permission for the fault of not repaying it?

Yes  No

20. What are the benefits you had acquired because of the loan?

21. Do you have any idea of getting further loans?

Yes  No

22. Did you mortgage anything for getting the loan?

Yes  No

23. Did anybody stand as surity for this loan?

Yes  No

24. Did you get any subsidy under this? If yes, under what scheme and what was the amount?

25. Has your standard of living in the family improved?

Yes  No

If yes, how?

If no, give reasons

26. Do any authority from bank come for inspection?

If yes, what was their comment?

27. Have you been a source of information for others to get the loan?

Yes  No

28. Do you have any suggestions for simplifying the loan procedures?

Yes

No

29. What are your suggestions for better functioning of the loan scheme to the families?

APPENDIX II  
QUESTIONNAIRE

To elicit information from the bank officials:

Name :

Designation:

Address:

1. Does the bank provide assistance to all category of people?

Yes  No

2. Do you provide concession/subsidy to scheduled caste and scheduled tribe peoples?

Yes  No

3. Under what scheme the bank is providing loan to the people?

4. From when the loan has started and how?

5. How did you do the publicity and in what way?

Advertisement like

Newspapers

Seminar

Camp

Direct contact

Any other

Mention

6. Do you provide loan to all who approach you?

7. On what basis do you provide loan? Caste/Economic status

8. Does the provision of loan confined to rural or urban?

9. What for you provide financial assistance?

10. What is the maximum amount of loan?

11. What is the procedure to avail the loan?

12. What are the eligibilities for availing loans?

13. Do you sanction the loan against mortgage of property or surities?

Yes  No

If yes, movable/immovable

14. What is the rate of interest?

15. Do you give subsidy to scheduled caste/scheduled tribe peoples?

Yes  No

If yes, what is the rate of subsidy?

16. What undertaking do you expect them to execute to avail the loans?
17. How long do you take to sanction the loan?
18. What are the general information required for you to sanction the loans?
19. Does the amount varies for each category?  
Yes  No   
If yes, give the reason
20. What is the duration of time to repay and when should they repay? In how many instalments do they have to repay the loan?

21. It is paid monthly/quarterly/half yearly/yearly

22. Do the beneficiaries repay the loan in time regularly?

Yes  No

23. Do you monitor?

Yes  No

24. If they fail to repay, what action you take to recover the money?

25. Will you be giving loans to same persons if they had cleared the loan in time regularly? Will you increase the amount?

Yes  No

If yes, how much?

26. Do the beneficiaries avail the loan only for the purpose they have sought for?

Yes  No

27. Do they really benefit from this scheme?

Yes  No

28. Do you think that your bank is serving better than the other banks? If so, how?

29. Do you give any training in skill development to improve the vocation that they undertake?

Yes  No

If yes, give details

30. What are the suggestions and future plans for better functioning of the loan system?

APPENDIX - III

OBSERVATION SHEET TO OBSERVE THE ACTIVITIES OF THE  
BENEFICIARIES

1. Visit the Village to Observe.
2. Visit to the Beneficiary's Work Spot.
3. Checking the Documents and Pass Books Related to Bank Loans and Repayment Pattern.
4. Stock Checking of the Items.
5. Observing the Actual Business Transactions.
6. Informal Discussion with the Village People.
7. Observing and having Informal Discussion with the Family Members of the Beneficiary's.