

Role of Micro-Finance on Economic Status of Rural Women (A Study in Nizamabad Dist – Telangana State)

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Abstract: *In order to eliminate poverty and achieve sustainable development, women and men must participate fully and equally in the formulation of macro economic and social policies and strategies for the removing of poverty. The eradication of poverty cannot be accomplished through anti-poverty programmes alone but will require democratic participation and changes in economic structures in order to ensure access for all women to resources, opportunities and public services. Poverty has various manifestations including lack of income and productive resources sufficient to ensure a sustainable livelihood; hunger and malnutrition; ill health; limited or lack of access to education and other basic services; increasing morbidity and mortality from illness; homelessness and inadequate housing; unsafe environments; social discrimination and exclusion. It is also characterized by lack of participation in decision-making and in civil, social and cultural life. The SHG programme was initiated to help those women who are living below poverty line. But in practice the ineligible candidates got enrolled in the SHGs and obstructing to reach the fruits to real needy people. Hence the present study is a humble attempt to assess the role of SHG programme in eradication of poverty The micro finance intervention is expected to pave the way to make women to come out from the clutches of poverty. Hence the present study makes an analysis of the impact of micro finance on various aspects of poverty in Nizamabad district .*

Keywords: *Poverty, Self Help groups, Sustainable development ,Micro finance.*

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I. Introduction

The women in rural areas are subject to several injustices since time immemorial. They will work day and night for the betterment of their family. But there is no proper recognition to the labour of women. In spite of her contribution to the well being of family members, the dependency of her on male members even for trivial economic expenditure made the life of her more deplorable. At this juncture the micro finance emerged as a ray of hope for women in rural areas. Like minded women come together and formed self help groups to avail micro finance benefits in several villages. The micro finance intervention is expected to pave the way to make women to come out from the clutches of poverty. Hence the present study makes an analysis of the impact of micro finance on various aspects of poverty in Nizamabad district.

More than one billion people in the world today, the great majority of whom are women, live in unacceptable conditions of poverty, mostly in the developing countries. Poverty has various causes, including structural ones. Poverty is a complex, multidimensional problem, with origins in both the national and international domains. The globalization of the world's economy and the deepening interdependence among nations present challenges and opportunities for sustained economic growth and development, as well as risks and uncertainties for the future of the world economy. The uncertain global economic climate has been accompanied by economic restructuring as well as, in a certain number of countries, persistent, unmanageable levels of external debt and structural adjustment programmes. In addition, all types of conflict, displacement of people and environmental degradation have undermined the capacity of Governments to meet the basic needs of their populations. Transformations in the world economy are profoundly changing the parameters of social development in all countries. One significant trend has been the increased poverty of women, the extent of which varies from region to region. The gender disparities in economic power-sharing are also an important contributing factor to the poverty of women. Migration and consequent changes in family structures have placed additional burdens on women, especially those who provide for several dependants. Macroeconomic policies need rethinking and reformulation to address such trends. These policies focus almost exclusively on the formal sector. They also tend to impede the initiatives of women and fail to consider the differential impact on women and men. The application of gender analysis to a wide range of policies and programmes is therefore critical to poverty reduction strategies. In order to eradicate poverty and achieve sustainable development, women and

men must participate fully and equally in the formulation of macroeconomic and social policies and strategies for the eradication of poverty.

Removing of poverty cannot be accomplished through anti-poverty programmes alone but will require democratic participation and changes in economic structures in order to ensure access for all women to resources, opportunities and public services. Poverty has various manifestations including lack of income and productive resources sufficient to ensure a sustainable livelihood; hunger and malnutrition; ill health; limited or lack of access to education and other basic services; increasing morbidity and mortality from illness; homelessness and inadequate housing; unsafe environments; social discrimination and exclusion. It is also characterized by lack of participation in decision-making and in civil, social and cultural life. The SHG programme was initiated to help those women who are living below poverty line. But in practice the ineligible candidates got enrolled in the SHGs and obstructing to reach the fruits to real needy people. Hence the present study is a humble attempt to assess the role of SHG programme in eradication of poverty.

II. Objectives Of The Study

The objectives of the proposed study are as follows:

1. To study the positive and negative impacts of the micro-finance programme on selected beneficiaries.
2. To suggest ways to reorient micro-finance programme to be more effective instrument for poverty alleviation.
3. To evolve a holistic model to address the issues of poverty through micro-finance programme.
4. To identify the nature of relationship between poverty, micro-finance and development

Hypothesis

Keeping in mind the broad objectives mentioned above, the following hypothesis have been formulated for this work.

1. The impact of micro-finance programme is minimal in reducing the poverty levels among rural women.
2. The programme almost failed in improving the economic status of the women.
3. The social impact is also limited to few areas.

III. Methodology

To examine the objectives of this study, relevant data will be collected from both primary and secondary sources. Field Survey will be undertaken for collection of primary data. For this purpose, a pre-tested interview schedule will be employed. Further, observation technique will be followed to understand certain aspects of the problem. Separate questions will be framed for micro-finance borrowers of different categories. Besides, secondary data regarding the growth of micro-finance institutions in India, in Andhra Pradesh and Nizamabad will be collected from different published records which include Reports of the Government of India, Reports of the SERP, Reports of NABARD, Annual Reports and records of DRDA Nizamabad, Statistical Abstracts of Government of Andhra Pradesh and District Credit Plans prepared by the Lead Bank of the District.

Variables of the Study

Independent Variables:., Religion, Social Category Educational Qualifications, Occupation, Economic status, and Locality.

Dependent Variables: poverty levels, approach of MFIs, attitudes, levels socio-economic improvements.

Sampling

Micro finance to rural women has been extended to all Mandals of the Nizamabad district. Almost all the villages, hamlets in the district are covered by the micro finance. For effective study of the impact of micro finance on rural women, multi-stage random sampling method was followed. In the first stage three revenue divisions in the district were selected. In the second stage four rural Mandals which registered highest number of micro finance beneficiaries in the respective revenue division were selected. In the third stage from each selected Mandal five villages which have highest number of micro finance beneficiaries were selected. In the fourth stage from each selected village 15 micro finance beneficiaries were selected. So the universe of the sample constitutes 3 revenue divisions, 12 Mandals, 60 villages and 900 women respondents.

Sources of Data

The sources of data for the study include both primary sources and secondary sources. The secondary sources include the season and crop reports and statistical abstracts of Andhra Pradesh, Micro Finance Statistics of NABARD, and the District Census Hand Books Hand book of Statistics, Nizamabad, were collected. Besides, records of the office DRDA were consulted for collecting the relevant information.

The primary data which includes the socio-economic background, land ownership, land transactions, cropping pattern, productivity, problems faced in the distribution of water and so on, was collected from the sample farmers.

Analysis of Data

The collected data have been processed and analyzed both manually data were tabulated to bring out systematic analysis of the impact of microfinance in improving the livelihood opportunities of sample farmers. The data drawn from the various sources were analyzed and inferences drawn by apply data were tabulated to bring out systematic analysis of the impact of microfinance in improving the livelihood opportunities of sample farmers. The data drawn from the various sources were analyzed and inferences drawn by applying certain statistical tools like averages, growth rate, percentages etc.

Review of Liturature

A. Munian (2009) said that the SHG Bank linkage approach is found to be an effective instrument by which very poor people can access to hassle free formal credit without any collateral security and simultaneously improve their thrift habits. The approach also contributes to a social empowerment of the women. However, the linkage and its impact can be made sustainable with the sincere interventions by the promotional agencies particularly the banks and Block authority in the areas of awareness building, skill development and training.

Chandrashekar T.C., and Shivashankar S.C., (2009) in their article on “Microfinance for the Extreme Poor: A Study” says that the inclusion of the poorest in microfinance is often discussed in terms of tradeoffs ins social and financial performance. Microfinance started to gain prominence as an effective intervention for the poor since the early 1980s. As such, poverty-focused MFIs used “ownership of less/than 50 decimal of land” as the eligibility criteria. These targeting criteria ought to be inclusive of the extreme poor, and this was the case in the initial years.

It is quite clear that the above studies touched on various aspects related to the SHGs in India, but were mostly in a general way covering the problems of women and the implementation of the programmes but did not touch the impact of SHGs on specific categories of people i.e., the Scheduled Castes, Scheduled Tribes, Backward Castes and other Women and how far this programme has helped them to generate additional income and employment in rural areas to come out of the vicious circle of poverty.

IV. Analysis Of The Study

Credit flow to Self Help Groups by Banks

Nationalized banks, regional rural banks and cooperative banks are actively extending the financial assistance to SHGs. The year wise details of SHG-Bank linkage programme are given here under:

Table- 1: Year Wise Credit flow to Self Help Groups in Nizamabad District

Year	No. of Groups	(Rs. In Lakhs)	
		Amount (Rs. In crores)	Per Group Finance in Rs.
Up to 1998-99	219	0.40	18,265
1999-2000	526	0.85	16,160
2000-2001	2538	4.84	19,070
2001-2002	6440	11.31	17,562
2002-2003	5778	16.21	28,055
2003-2004	4983	18.10	36,323
2004-2005	6511	30.57	46,951
2005-2006	10763	50.70	47,106
2006-2007	14472	140.12	96,821
2007-2008	16923	230.97	1,36,482
2008-2009	16782	257.00	1,53,140
2009-2010	12806	229.77	1,79,423
2010-2011	13892	298.35	2,14,764
2011-2012	14591	367.85	2,52,108
2012-2013	15689	396.75	2,52,884
2013-2014	16,588	426.64	2,57,198
2014-2015	16,402	476.8	2,90,697

Source: District Rural Development Agency, Nizamabad.

It is evident from table 1 that the total number SHGs linked to commercial banks in 1998-1999 in the district is only 219 and they increased to 12, 806 by 2009-2010. It means they increased nearly 58 times during the 12 years of the study. The amount sanctioned to these SHGs increased more than 9 times during the same period of time. The year wise number of SHGs linked to banks is gradually increased up to 2001-02. Thereafter the number of SHGs linked to banks is not evenly distributed. The average finance per group is highest in 2009-10 (Rs. 1,79,423) and the lowest amount per group is as low as Rs. 16,160 in 1999-2000. but, from 2001-2002 onwards the average amount per group is gradually increasing in the district.

Status of VOs, SHGs and Members in sample Mandals

Table 2 provides the particulars of number of village organizations, SHGs and SHG members in sample mandals in Nizamabad district.

Table-2 : Sample Mandal Wise Total VOs, SHGs and Members

S.No	Mandal Name	Total counts (as on March 2016)				
		Total	Total	Total	PWD	PWD
		VOs	SHGs	Members	SHGs	Members
1	Bheemgal	44	1368	13468	15	81
2	Bhiknur	65	1399	15059	21	154
3	Bichkunda	46	1139	11189	7	38
4	Dhar Palle	29	935	9817	17	100
5	Domakonda	63	1358	14169	10	75
6	Kotgiri	49	1157	11088	4	33
7	Machareddy	60	1322	14369	5	62
8	Nizam Sagar	32	783	7547	11	84
9	Pitlam	33	876	8654	9	78
10	Sadasivanagar	59	1240	12531	15	115
11	Sirkonda	36	1168	11687	11	94
12	Velpur	29	943	9501	19	145
	Total	545	13688	139079	144	1059
		34.08	32.74	32.57	34.78	33.11
	District Total	1599	41808	427080	414	3198

Source: District Rural Development Agency, Nizamabad.

It can be found from table 2 that there are 545 village organizations in sample mandals. The highest and lowest number of VOs were registered in Bhiknur (65) and Velpur

(29) mandals of the district. The share of sample mandals in total VOs of the district is stood at 34.08 per cent. In three samples mandals namely Nizam Sagar (783), Pitlam (876) and Velpur (943) the total number of SHGs is less than thousand. The highest number of SHGs is registered in Bhiknur mandal as in the case of VOs. The share of 12 sample mandals in the total SHGs of the district stood at 32.74 per cent. The registered women members in SHGs is highest in Bhiknur (15,059) mandal and lowest is registered in Nizam Sagar (7,547) mandal. The share 12 mandals together to the district is 32.57 per cent. The number of persons with disability SHGs in sample mandals ranges between 4 (Kotgiri) to 21 (Bhiknur). There are 1059 PWD members in PWD SHGs in sample mandals. The average number of SHGs for each VO in the sample mandals is worked out as 25.12. The average number of SHGs for each VO in the sample mandals is worked out as 25.12. The average number of member for each women SHG in the district is 10.16 members. The average number of member per each PWD SHG in sample mandals is 7.35 members.

Impact of Micro Finance on Sanitation Toilet Facility

Eliminating open defecation is said to be an important part of development efforts. High levels of open defecation in a country are usually correlated with a high child mortality, as well as high levels of under-nutrition, high levels of poverty and large disparities between the rich and poor. The particulars of the impact of micro finance on usage of toilets in sample households.

Table 3: Impact of Micro Finance on usage of Toilets in Sample Households

S. No.	Type Toilet	Before	After
1	Open Defecation	827 (91.89)	511 (56.78)

2	Community Toilet	11 (1.22)	11 (1.22)
3	Sanitary non-Flush Type	58 (6.44)	287 (31.89)
4	Flush Type Sanitary Toilet	4 (0.44)	91 (10.11)
Total		900 (100.00)	900 (100.00)

Source: Field survey

It can be assumed from table that the impact of micro finance on improving toilet facility of sample households is minimum. Open defecation is continuing by more than half (56.78 per cent) of sample households even after micro finance intervention. The number of households using community toilets remained constant before and after micro finance intervention. The households using sanitary non-flash type of toilet increased more than 25 per cent after micro finance intervention. Flash type sanitary toilet using households is confined to 4 before micro finance intervention, such households increased to 91 after micro finance intervention

Type of Floor

It can be estimated that a particular household is living under BPL or APL by knowing the type of floor in which they are living. Table 4 gives the particulars of type of floor of the sample households.

Table-4 : Impact of Micro Finance on Type of Floor in Sample Households

S. No.	Type of Floor	Before	After
1	Dung Floor	429 (47.67)	36 (4.00)
2	Napa Slab Floor	397 (44.11)	642 (71.33)
3	Concrete Flooring	58 (6.44)	183 (20.33)
4	Marble Flooring	5 (0.56)	11 (1.22)
5	Tile Flooring	11 (1.22)	23 (2.56)
6	Granite Flooring	0 (0.00)	5 (0.56)
Total		900 (100.00)	900 (100.00)

Source: Field survey

It appears from the table that there are sea changes in the flooring pattern of sample households with the interventions of micro finance. It is evident from the study that in 47.67 per cent of sample households the floor is made of dung before micro finance institutions. But, with the intervention of micro finance the number of such households declined to 4 per cent. It means that in most of the sample households the better type of floor was laid with the micro finance interventions. The per cent of sample households with Napa Slab floor has sharply increased from 44.11 per cent before micro finance intervention to 71.33 per cent after micro finance intervention. The number of households also increased significantly with micro finance intervention. The per cent of marble flooring, tile flooring and granite flooring households increased slightly.

Impact of Micro Finance on Number of Living Rooms

In rural India most of the poor people lives in a household which is having single room. The income generating activities through micro finance, they are likely to improve the housing conditions. The impact of micro finance on availability of number of rooms in sample households is present in table 5.

Table- 5: Impact of Micro Finance on Number of Living Rooms in Sample Households

S. No.	Number of Living Rooms	Before	After
1	One	541 (60.11)	168 (18.67)
2	Two	282 (31.33)	597 (66.33)
3	Three	60 (6.67)	108 (12.00)
4	More Than Three	17 (1.89)	27 (3.00)
Total		900 (100.00)	900 (100.00)

Source: Field survey

It is evident from table that the number of households with two rooms increased from 31.33 per cent before micro finance intervention to 66.33 after micro finance intervention. The households with three living rooms also doubled with micro finance interventions. The number of houses with more than three living increased from 17 to 27 constituting 3 per cent of total households.

Impact on Possession Household Durables

The living condition of a household can also be estimated by assessing the possession of household durables like radio, television, cycle, mobile phone, motor cycle, refrigerator, etc by a particular family. Table 6 furnishes the details of the impact of micro finance on possession of households by sample households in the study area.

There is a clear demarcation in the possession of household durables by sample households before and after micro finance interventions. Before micro finance intervention only 14.14 per cent of households were possessing television. But, such percent of households sharply increased to 64.89 per cent after micro finance intervention. The number of households possessing mobile phone sharply increased from 21.89 per cent to 96.33 per cent before and after micro finance intervention. The number of households possessing radio decreased from 58.44 per cent to 11.22 per cent. It is due to the impact of possession to television by good number of households. The number of households possessing cycle nearly doubled with micro finance intervention. The number of households possessing motor cycle, refrigerator and other households durables also increased after micro finance interventions.

Table-6 : Impact of Micro Finance on Possession of Household Durables by Sample Households

S. No.	Number of Living Rooms	Before		After	
		Yes	No	Yes	No
1	Television	130 (14.44)	770 (85.56)	584 (64.89)	316 (35.11)
2	Mobile Phone	197 (21.89)	703 (78.11)	867 (96.33)	33 (3.67)
3	Radio	526 (58.44)	374 (41.56)	101 (11.22)	799 (88.78)
4	Cycle	398 (44.22)	502 (55.78)	784 (87.11)	116 (12.89)
5	Motor Cycle	5 (0.56)	895 (99.44)	129 (14.33)	771 (85.67)
6	Refrigerator	2	898	97	803

		(0.22)	(99.78)	(10.78)	(89.22)
7	Others	124	776	329	571
		(13.78)	(86.22)	(36.56)	(63.44)

Source: Field survey

Impact on Cooking Fuel

Cooking fuel using by sample households is also one of the indicator to measure the poverty levels of a particular households. Table 7 gives the details of cooking fuel used by sample households before and after micro finance intervention.

S. No.	Major Source of Cooking	Before	After
	Fuel		
1	Firewood	764	98
		(84.89)	(10.89)
2	Kerosene	77	71
		(8.56)	(7.89)
3	LPG	26	690
		(2.89)	(76.67)
4	Electricity	33	41
		(3.67)	(4.56)
	Total	900	900

Table 7 clearly shows that a preponderant majority i.e. 84.89 per cent of households depending on firewood for cooking. But the scene has gradually changed with the intervention SHG micro finance. After micro finance intervention the number of households depending of LPG gas as cooking fuel sharply increased from 2.89 per cent to 76.67 per cent registering a growth of 73.18 per cent. The dependency of households on firewood and kerosene has decreased due to micro finance intervention. The households depending on electricity have slightly increased from 3.67 per cent to 4.56 per cent.

Impact on Food Consumption Pattern

Food Consumption pattern is the most important indicator to decide whether a particular family is living below poverty line or not. Generally, the people in the study region will take three square meals per day. Due to poverty, it may be one square or two square meals or no meal. Table 8 gives the particulars of the impact of micro finance on food consumption pattern on sample households.

Table- 8: Impact of Micro Finance on Food Consumption by Sample Households

S. No.	No of Meals per Day	Before	After
1	One square meal a day	432	11
		(48.00)	(1.22)
2	Two square meals a day	342	211
		(38.00)	(23.44)
3	Three square meals a day	109	651
		(12.11)	(72.33)
	Total	900	900
		(100.00)	(100.00)

Source: Field survey

It is regrettable to note that nearly 48 per cent of households in the study area lead their life with one square meal before micro finance institutions. However, such households reduced to 1.22 per cent after micro finance intervention. Around 38 per cent of sample households lead their life with two square meal before SHG's micro finance intervention. But such households reduced to 23.44 per cent after micro finance intervention. It is pertinent to note that after micro finance intervention the households with three square meals per day have sharply increased from 12.11 per cent to 72.33 per cent.

Impact on Food Expenditure

The household expenditure pattern on food items also indicates the poverty level of particular households. As such during field survey the sample women respondents were asked to give the particulars of their households' monthly expenditure on food items and the same is presented in table 9.

Table-9 : Impact of Micro Finance on Food Expenditure by Sample Households (Per Month)

S. No.	Food Expenditure	Before	After
1	Below Rs. 1,000	695 (77.22)	127 (14.11)
2	Rs. 1,001 to Rs. 1,500	103 (11.44)	198 (22.00)
3	Rs. 1,501 to Rs. 2,000	61 (6.78)	147 (16.33)
4	Rs. 2,001 to Rs. 2,500	17 (1.89)	283 (31.44)
5	Rs. 2,501 to Rs. 3,000	13 (1.44)	79 (8.78)
6	Rs.3,001 and above	11 (1.22)	66 (7.33)
	Total	900	900
		(100.00)	(100.00)

Source: Field survey

It is clear from table 9 that the monthly expenditure on food items is less than Rs.1000 in 77.22 per cent of sample households. But after micro finance intervention such holds percentage reduced to 14.11. The monthly expenditure on food items is Rs.1001 to Rs.1500 in 22 per cent of households after micro finance intervention. The per cent of households spending Rs.1501 to Rs.2000 on food items is increased from 6.78 per cent, 16.33 per cent. With regard to expenditure group of Rs.2001 to Rs.2500 the per cent of households sharply increased from 1.89 per cent before micro finance intervention to 31.44 per cent after micro finance intervention. The per cent of households spending Rs.2501 to Rs.3000 as well as Rs.3001 and above also increased with micro finance intervention.

V. Findings of the study.

- 1 It is clear from the study that a preponderant majority i.e. 60.33 per cent of women borrowed money for productive purposes like, agriculture development, dairy development, petty business, tailoring, embroidery works etc. Around 12.56 per cent of women reported that they have taken loan to meet health expenditure and to improve sanitation facilities in the house premises. To invest on the education of children around 11.22 per cent of women borrowed money.
- 2 The study indicates that a preponderant majority i.e. 55.22 per cent of sample SHGs in Nizamabad district are promoted by Micro Finance Institutions (MFIs). The MFIs forms the SHGs and extend credit facilities at higher rates of interests. In order to reduce the debt burden caused by MFIs the Government of Andhra Pradesh issues separate regulations for regulation of MFIs.
- 3 The study shows that the micro finance has visible impact on income levels of sample households in the study area. There is a clear bulge in the percentage of households in the income groups of Rs.30, 001 to Rs.400000, Rs.40, 001 to Rs.50, 000, Rs.50, 001 to Rs.60, 000 and Rs.60, 001 and above after micro finance intervention. After micro finance intervention highest per cent of households were temped into the income group of Rs.40, 001 to Rs.50, 000 (52 per cent).
- 4 It is evident from the study that most of the women availed loans from different institutions only once. Around 76.67 per cent of sample women availed loans from regional banks only once. Commercial banks are the source of loan for 66.78 per cent of sample women and it is followed by micro finance institution with 65.33 per cent, SHG loans with 64 per cent our loans from cooperative banks with 28.22 per cent.
- 5 It is evident from the study that the attendance of school going children is either very irregular or irregular in case nearly 68.77 per cent of sample households in the study area. Such irregularity very sharply declined to 0.22 per cent of after micro finance interventions. The percent of regularity or very regularity is reported by 40.44 per cent and 36 per cent of sample households after micro finance interventions. In 22.33 per cent of sample households there are no school going children.

- 6 The study indicates that the micro finance intervention brought sea changes in the nutrition levels of sample households in rural areas. There are one or two or more malnutrition's children in 86.67 per cent of sample households before micro finance interventions in sample villages.
- 7 It can be found from the study that the micro finance intervention has brought marginal changes in the health expenditure pattern of sample households. The health expenses of 65.44 per cent of sample households are less than Rs.5000 before micro finance institutions. Such households decreased to 3.67 per cent after micro finance interventions.
- 8 It is evident from the study that the number of out of school children in the study region is one in 45.67 per cent of sample households before micro finance intervention.

VI. Suggestions

- 1 .The experience from southern states where SHG movement has now taken strong roots suggests that forming SHGs, pooling savings is easy. However, utilization of these savings for building micro enterprises requires considerable policy and programme support.
- 2 We believe that SHGs will sustain only if they enter into some form of commercial activity like production and marketing of elementary household requirements. In this context, We are seriously concerned about the current policy of the Govt. dereserving products made by village industries SSI, cottage, units in the country.
3. Further, large corporations have entered into marketing of basic household requirements like Achar, Spice Powder, and Agarbati. This trend will expose the SHGs to totally unfair
4. Subsidy element for development purpose for SHG members is an important policy issue which needs thorough analysis.
5. Competition and deny them the opportunities to become economically viable and sustain.
Therefore the request to the Government is to reconsider its policy in this regard.
6. In addition, life (social) and developmental issues related to the quality of life SHG concept should target the holistic development of women members. The recent scenario suggests that the focus lies empathetically with economic empowerment. of the poor needs immediate attention. Therefore, programmes targeting holistic development should be conceptualized and even the existing programmes may be oriented towards this.
7. Exposure visits to areas where SHG movement has taken off should be a critical component of SHG development programmes.
8. Among the poor, the credit utilization is invariably from consumption to production process. Hence the consumption needs cannot be ignored and adequate provision should be made in the scheme for this.
9. Emphasis on financing of groups under SGSY needs to be moderated
10. The quantum and timing of subsidy needs to be reviewed keeping in view the resource handling capabilities of the members and the group.
11. Development administration has a great responsibility to build synergy between various departments for convergence. Every development department has to be sensitized to this effect. The DRDA under the supervision of District Collector / Magistrate has to take lead role in this regard.

VII. Conclusion

The far-ranging impact of microfinance has been discussed in this study, some positive, some negative and some more consistent than others. Evidence that financial services help to protect livelihoods by regularising income flows and reducing variability In consumption levels appears to be fairly consistent across a range of different approaches to financial service provision. Although the positive impact of microfinance on women's poverty level is evident, microfinance providers must also be cautious to avoid possible negative outcomes. Studies have shown that women sometimes have little or no control over their loan, with the husband or male family member making all decisions.. Moreover, differences in literacy, property rights and social attitudes about women may limit impact outside of the immediate household. Residents of rural areas specifically continue to have difficulties in accessing microfinance. Women may also struggle with the heavier workload created by the responsibility for loan repayment. Changes in the access to finance influence the distribution of working time between men and women in the same household and between activities yielding different returns. Evidence suggests that up to a point microcredit increases the workload of women and girls, perhaps offset by more equality in household decision making

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