

## **Poverty Alleviation -Role of Micro Credit on Women Empowerment**

**Dr. D.Vijaya Lakshmi,**  
*Sr. Assistant Professor,  
Department of Management Studies,  
Dr.Lankapalli Bullayya PG College,  
Visakhapatnam.*

**Mrs. Nagavali Patelkhana**  
*Assistant Professor  
Department of Management Studies  
Dr.Lankapalli Bullayya PG College  
Visakhapatnam.*

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### **ABSTRACT**

*The State Government is consciously making an effort to support DWCRA groups by providing Revolving Fund/Matching grant under various programs. In the early 1980's the government of India launched the Development of Women and Children in Rural Area (DWCRA) program under the integrated Rural Development which has played a prominent role for alleviation of poverty. Microcredit is the grant of small loans to groups of poor people especially women, for the purpose of investing in self-employment programs. In the present paper the study is conducted by reviewing various studies related to the different roles played by the DWCRA for developing the women and children in rural areas. This study has concluded that the DWCRA program was successful.*

**KEYWORDS:** *DWCRA, Rural areas, Alleviation.*

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### **I. INTRODUCTION:**

Poverty has always remained a critical social problem. The status of women depicts the social, economic and mental condition in a nation. Women have been regarded as a symbol of spirituality in our scriptures. Yet, they have been treated badly and unequally to men. Women of today are empowered, and are also gaining advancements and success in each and every field. The status of women freedom depends on economic conditions even more than political. If a woman is not economically free and self-earning she will have to depend on her husband or someone else, and dependents are never free. In order to solve this kind of problems there are different micro and macro level strategies are being used by government agencies and NGOs for poverty alleviation of women as a way to empower them.

The DWCRA program was not very successful in the rest of the country; it was successful in Andhra Pradesh. The case gives an overview of the DWCRA program in Andhra Pradesh, and its impact on the lives of rural women there. It also discusses the role played by the government in the success of the DWCRA program in the state and explores the role of the corporate in rural development programs. In addition to implementing welfare schemes for rural women, the main objective of DWCRA is to improve the socio-economic, health, and educational status of rural women by providing financial assistance and creating employment opportunities for them to become self-reliant and to raise their standard of living. The target of DWCRA is the same as that under IRDP, i.e. the families living below the poverty line. However, the basic difference with IRDP lies in that under DWCRA, it is not an individual family which receives assistance, but a group of families. The scheme envisages the formation of groups each consisting of 15 to 20 women.

The DWCRA program was funded by the central and state governments. Every DWCRA group could avail of revolving fund of Rs 15,000 in order to meet capital expenditure such as purchase of machinery.

### **SCOPE FOR THE STUDY:**

The study is confined to the women who have joined and are receiving the fund from the DWCRA.

### **II. METHODOLOGY**

The study is qualitative in nature and is based on secondary source of information. Theoretical literature was mainly used to analyze the concepts of empowerment and poverty alleviation. The study has the characteristics of exploratory and descriptive as well as explanatory research. In exploratory research more precise questions are constructed which are almost negligible in this study. As the research is oriented towards

development policy and has focused on a specific case to describe it in detail, so both these characteristics make it a descriptive research.

### **OBJECTIVES OF THE STUDY**

1. To study the role and concept played by the DCWRA for eradicating the poverty.
2. To examine various cases that has established the fact that women are more efficient converters of resources into productive purpose.
3. To provide the suggestions from the study.

### **III. REVIEWS OF THE STUDY:**

Kappa Kondal (2014) in his paper described the role of SHG on the women empowerment in Andhra Pradesh. His finding of study justifies the greater role played by the SHGs in increasing empowerment of women, by making them financially strong, as well as it helped them to save the amount of money and invest it for further development. It is also found that the SHGs created confidence for social, economic self-reliance among the members in two villages. It develops the awareness programs and schemes, loan policies, etc. However, there is a positive impact of Self Help Groups on Women empowerment in Andhra Pradesh.

Grameen Foundation (2012): Grameen Foundation helps the world's poorest, especially women, improve their lives and escape poverty by helping to provide access to appropriate financial services new ways to generate income . By helping local microfinance institutions and other poverty-focused organizations become more effective we've helped millions pull themselves out of poverty.

World Bank (2012): The economics and development literatures vulnerability is defined as the 'probability of risk today of being in poverty or to fall into deeper poverty'.

Porter and Kramer, 2011 Studies of market-based measures to alleviate poverty are also gaining considerable traction in the management literature where scholars have developed concepts like 'base-of-pyramid' and 'creating shared value' to address what businesses can do to alleviate poverty and enhance social welfare.

Zulfiqar (2010) states that women's empowerment can be achieved through a number of factors like access to educational opportunities, participation in the political process, provision of economic opportunities and micro-credit programmes. It is not limited only to micro-credit facilities.

NABARD (2005) The role of micro finance program at international levels on the global economic situation, poorer households and poverty reduction, education, health as well as the social status of women has been put forward.

Shakuntala Narasimhan (1999), A bold statement was made by him saying that the even after five decades of economic planning, the status of the women is not changing much in India. He concludes that the mindset of the people is the key factor for the women empowerment in India.

Karmakar (1999) said that the advantages/success of the SHG in the rural banking sector is thoroughly investigated. Conventional rural banking is severely hampered by several factors like, poor loan recovery performance, weak human resource, etc. In order to overcome these factors, SHG s is tied up with various NGOs and banks. This leads to the SHGs is emerging as a viable credit mechanism in the rural areas with excellent women empowerment. Also, in his studies, he suggested various suggestions to minimise the flaws in the traditional rural banking system.

Rowlands (1995) noticed that power is generally defined in terms of control and influence over others. The control is demonstrated by men over men, men over women, and by dominant social, political and economic class over those who are marginalized. If people are continuously denied power and influence in a society, they begin to internalize this denial of power. Rowlands uses the term 'internalized oppression'. The marginalized people become used to it for their survival in a dominant social, economic or political class.

### **IV. SUGGESTIONS:**

- As far as DWCRAs officials are concerned, field workers strength is to be increased for ensuring adequate attention to target groups.
- Periodical change of leadership is must for the members to share responsibilities and generate leadership qualities.
- The group leaders and other members associated with it should be trained to write the accounts, go to the bank, and prepare the minutes of the meetings so that over a period of time they will acquire leadership qualities. Hence, periodical training on self-management should be imparted at regular intervals to group members with the help of resource persons.
- All the groups should be treated equally by the government and by banks, in extending financial support.

- Lack of transparency and encouraging particular groups creates suspicion among the other groups. To overcome this, it has been recommended that frequent interface meetings be conducted between the group members and the officials concerned.

#### **V. CONCLUSION:**

Most of the studies carried out so far regarding the effect of SHGs towards the women empowerment show a positive trend. The women involved in the self help groups got better access to health care, socioeconomic development and independent decision making. However the negative side of the SHGs is so far not studied in detail. Some reports suggested that the DWCRA program had a positive impact on the lives of rural women.

However, most of the people were convinced about the success of the DWCRA program. Some analysts were critical about the role played by the government. They felt that the government was using DWCRA as a political weapon rather than to change the lives of the rural poor. They also pointed out that lack of training and failure to adapt to industry's needs, would lead to the unavoidable failure of some of the DWCRA groups. In spite of all these criticisms, it is accepted that the DWCRA program had been successful in bringing much needed change and awareness among the rural women.

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