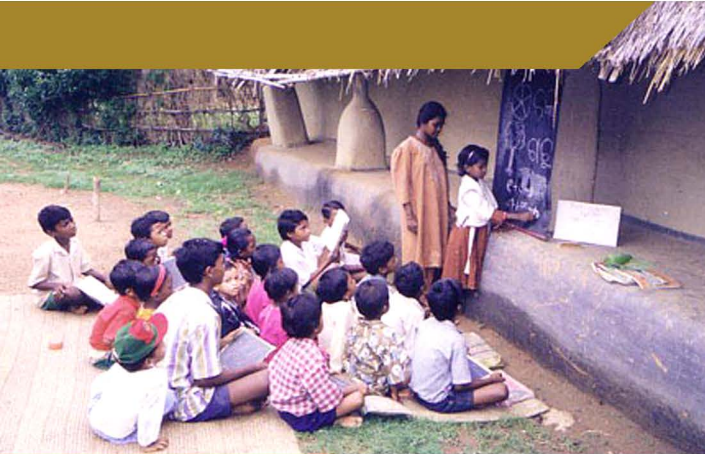


A Minor Research Project on

**“Financial and Social Inclusion of Scheduled Castes and Scheduled Tribes through SHG’s”  
an Analytical Study with Reference to Udupi District in Karnataka**



Submitted to

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**“FINANCIAL AND SOCIAL INCLUSION OF SCHEDULED CASTES AND SCHEDULED TRIBES THROUGH SHG’S” – AN ANALYTICAL STUDY WITH REFERENCE TO UDUPI DISTRICT IN KARNATAKA**

**INTRODUCTION :**

The caste system in India derived from the various religious backgrounds mainly from Hindu religion has legitimized the differential patterns of treatment among various caste groups from time immemorial. In this system, the lowest social group has been labeled by various names starting from ‘Asprishya’ (untouchable), to present day legalized label as Scheduled Castes and Scheduled tribes and subsequently identified as the ‘*Dalit*’. Scheduled Castes and Scheduled tribes were and are most deprived groups in Indian society. As per census 2011 in India Scheduled Castes are notified in 31 States/UTs of India and Scheduled Tribes in 30 States. There are altogether 1,241 individual ethnic groups notified as Scheduled Castes in different States/UTs number of individual ethnic groups notified as Scheduled Tribes is 705. There have been some changes in the List of SCs/STs in States/ UTs during the last decade. Stigmatized label has been attached despite of strong protective laws. Even though they were excluded from census enumeration earlier, as a good sign, after the independence a series of five year plans have been embodied with the welfare and upliftment programmes for Scheduled caste and Scheduled Tribes.

Visionaries like Swami Vivekananda, Mahathma Gandhiji, Dr. B. R. Ambedkar, dreamt of castles and classless ideal society. The Directive Principles of State Policy laid down in Article 46, propounds that "the state shall promote with special care the educational and economic interests of the weaker sections of the people, and in particular of the scheduled castes and scheduled tribes, and shall protect them from social injustice and all forms of exploitation". In order to fulfill the promise of the directive principles, specific provisions have been outlined in Articles 165, 275 330, 332, 334, 335, and 339 of the Constitution of India. Articles 330, 332 and 334 provide for the reservation of seats for scheduled castes and scheduled tribes in the states of the Union and Parliament. Article 338 provides for appointment, by the President, a Special Officer to "investigate all matters relating to

safeguard provided for Scheduled Castes". Under the Constitution, he is to report to the President upon the working of these safeguards at such intervals as the President may direct and all such reports in this regard should be laid before each House of Parliament by the President". Further, Article 17 declares that "untouchability is abolished and its practice in any form is forbidden. The enforcement of any disability arising out of untouchability shall be an offence punishable in accordance with law. The Scheduled Castes and Tribes (Prevention of Atrocities) Act, 1989 an Act of the Parliament of India enacted to prevent atrocities against scheduled castes and scheduled tribes. The Act is popularly known as POA, the SC/ST Act, the Prevention of Atrocities Act. A life of dignity is the right of every citizen. The Constitution provides a three-pronged strategy to improve the situation of SCs and STs namely Protective arrangements, Affirmative action and Development Measures. Consequently a number of Government attempts and non-government movement have been strived to reinstate the deprived classes by bringing about fundamental changes and self-respect that had been severely threatened under yoke of years of physiological, physical and economic stress and social isolation of Scheduled caste and Scheduled Tribes.

Scheduled Castes constitute 16.2% (166,635,700) and Scheduled Tribes is of 8.2% (84,326,240) out of total India population as per 2011 census. The total population of Karnataka, as per 2001 Census is 52,850,562. Of this, 8,563,930 are Scheduled Castes (SCs). The SC population constitutes 16.2 per cent of the population of the state as a whole and 5.0 per cent of the SC population of the Country. The Scheduled Castes and Scheduled Tribes Order (Amendment) Act, 1976, has notified 101 Scheduled Castes (SCs) and 3,463,986 are Scheduled Tribes (STs) in Karnataka. The ST population constitutes 6.6 per cent of the state population and 4.1 per cent of the country's ST population. 49 Scheduled Tribes (STs) have been notified in Karnataka by the Scheduled Castes and Scheduled Tribes Order (Amendment).

India opened herself to the global events and encountered with fancy concept 'Inclusive growth', but all the spheres of the society haven't for the same. There is an ethnic group which is covered by the problematic jargons their condition in terms of residence housing, education and health is precarious. Somehow the plans and programmes have been pushed the new generations the of group towards education, employment, financial literacy and

socio economic inclusion. Other side analysis reveals that pull chain is required to be still more strengthened. By looking into the trailer assessing the effectiveness, may lead to illusionary conclusion.

The various studies concerned have revealed that 'lack of economic support 'is the main cause of extremely slow pace of the development of Scheduled caste and Scheduled Tribes. It is experienced that financial and social inclusion efforts are the strong doses to the eradication of all imbalances, as a result several NGO's and government policies given due respect for the same. In India, Self Help Groups or SHGs represent a unique approach to financial intermediation .SHGs are formed and supported usually by NGOs or (increasingly) by Government agencies. Linked not only to banks but also to wider development programmes, SHGs are seen to confer many benefits, both economic and social. SHGs enable SC-ST to grow their savings and to access the credit which banks are increasingly willing to lend. SHGs can also be community platforms from which depressed classes become active in village affairs, stand for local election or take action to address social or community issues.

Problems related to poverty, illiteracy, lack of skills, health care, unfair human treatment etc. cannot be tackled individually but can be better solved through group efforts. Today these groups known as Self-help groups have become the vehicle of change for the poor and marginalized. Self-help group is a method of organizing the poor people and the marginalized to come together to solve their individual problem .The groups largely consist women members irrespective of caste background. The SHG method is used by the government, NGOs and others worldwide. The poor collect their savings and save it in banks. In return they receive easy access to loans with a small rate of interest to start their micro unit enterprise. Thousands of the poor and the marginalized population in India are building their lives, their families and their society through Self-help groups. The 9<sup>th</sup> five year plan of the government of India had given due recognition on the importance and the relevance of the Self-help group method to implement developmental schemes at the grassroots level. With the large existing pool of SHGs and the expected growth, today the role of SHGs is extended beyond (indirect) credit linkage, and strategies are developed to

optimize their potential in enabling comprehensive financial inclusion of their members. The SHG'S have contributing to changes in pattern of mind set and behavior of middle and higher class people towards the relationship with lower class masses.

The Karnataka state government has made efforts in evolving multidimensional welfare policies and measures with high hopes of bringing about radical changes in the condition of the scheduled castes and Scheduled tribes as state is concerned. The present government has shown more interested toward bringing them in to the financial and social main stream. Lots of social exclusion eradication movement had been taken place in undivided Dakshina Kannada district (which includes Udupi) through philanthropists Kudmul Ranga Rao, Karnad Sadashiva Rao and others. More recently Self-help group 'ShriShakthi' under the Karnataka State Government umbrella 'Pragathibandhu', 'Swa-Sahaya' rural development plans under SKDRDP and Navodaya SHG movements are making their mark over the agenda. Particularly SKDRDP SHG's widespread across the districts of Karnataka, the pioneer effect is made on Dakshina Kannada and Udupi District. The SHG's made a significant change in the pattern of lifestyle of people who are all economically and socially in low layer at Udupi District. The current study is pertaining to the analysis of magnitude of financial and social participation of Scheduled caste and Scheduled Tribes through the SHG functioning at Udupi District.

#### **OBJECTIVES OF THE STUDY:**

- ✓ To study the degree of involvement of SC-ST peoples in SHG's.
- ✓ To know whether the strengthening of financial position of SC- ST's through SHG's would lead to Social Inclusion.
- ✓ To know the impact of SHG's as a tool of financial upliftment of SC-ST's.
- ✓ To understand economic empowerment as a means of social inclusion.
- ✓ To know the changes in social treatment pattern of SC-ST's in social groups.
- ✓ To compare financial and social strengths of SC-ST's members of SHG with SC-ST's nonmembers.

## **METHODOLOGY:**

The study mainly based on primary data, will be collected through sample survey of 200 randomly selected respondents by issuing the structured questionnaires. The present study also depends on necessary secondary data will be gathered from articles, journals, magazines and related literature.

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