

**A STUDY ON FINANCIAL PROGRESS UNDER SHGs & BANK LINKAGE
PROGRAMME OF DEENDAYAL ANTYODAYA YOJANA-NATIONAL RURAL
LIVELIHOODS MISSION IN INDIA**

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ABSTRACT

Access to finance by the rural poor and vulnerable groups is an essential pre-requisite for poverty reduction and sustainable development. The Government of India has implemented several policies such as Nationalization of Banks, Lead Bank Scheme, Regional Rural Banks, Service Area Approach and financing of SHGs, for promoting the access of the rural poor to institutional finance. However, the share of the rural poor in the bank credit continues to be very low. Lending to the rural poor continues to be considered as risky by the banks. One of the important reasons for this situation is the lack of an effective credit delivery mechanism for the poor, besides limited outreach and coverage. It is in this context that the National Rural Livelihoods Mission (NRLM) and deendayal antyodaya yojana has taken up the task of promoting financial inclusion of the rural poor through SHGs. Financial inclusion of the rural poor implies delivery of financial services at an affordable cost.

KEYWORDS: Financial Progress, Deendayal Antyodaya Yojana, National rural livelihoods mission, self help groups.

INTRODUCTION

The core idea of India's economic growth plan for the past 20 years has been inclusive development. Multifaceted initiatives resulting from this inclusive agenda have been

undertaken on several fronts to benefit all segments of society ever since inclusive development was adopted as a component of the broader development plan. Financial inclusion is one important topic in this approach. Access to the financial system is a prerequisite for the average person to be integrated into the mainstream economy. However, the public benefit of financial inclusion has not yet been achieved so that society may march forward as a whole. Meanwhile, it is a prerequisite, albeit an insufficient one, for integrating the underprivileged segments of society. Even after gaining independence for fifty years, a sizable portion of India's Many people, particularly in rural and semi-urban regions, live below the poverty line for a variety of reasons, including lack of education, unemployment, debt, absence of legal and informal lending facilities at a fair interest rate, infrastructural amenities, etc. Many individuals in our nation lack access to the necessities of life, such as food, clothes, and shelter, even at times when the economy appears to be slowly improving. Thus, the primary goal of the government-initiated projects since independence has been to elevate the underprivileged by giving them access to financial services. At least a few large-scale government initiatives were launched as a result of this fixation.¹ Deendayal Antyodaya Yojana-National Rural Livelihood Mission (DAY-NRLM) is a flagship poverty alleviation program implemented by the Ministry of Rural Development, Government of India. It aims to reduce poverty by enabling the poor household to access gainful self-employment and skilled wage employment opportunities resulting in sustainable and diversified livelihood options for the poor. This is one of the world's largest initiatives to improve the livelihoods of the poor. Launched in June 2011, the Mission seeks to reach out to around 10 Crore rural poor households in a phased manner by the end of 2023 and impact their livelihoods significantly. A unique feature of the Mission is that it seeks to build community institutions for providing long-term financial and livelihood support to the poor. The other distinguishing features of the program is that it is implemented in a Mission mode by special purpose vehicles (autonomous state societies) with dedicated implementation support units at the national, state, district and block levels, using professional human resources.²

REVIEW OF LITERATURE

Mehta, S.K, Mishra, H.G and Shing, A (2011) studied on the “Role of Self Help Groups in Socio-Economic changes of Vulnerable Poor of Jammu Region”. The objective of the study was to assess the impact of the micro-finance programme on social as well as economic status of the members during the pre and post SHGs situations. The study covered 162 members of 10 SHGs promoted by Gramudyog Hastakala Kendra (GHK) in Kathna district of Jammu Region (GHK). The study stated that the impact of the micro-finance programme was significant and positive in changing the socio-economic conditions of the SHG members. The study revealed that the communication skill and confidence level of the SHG members had increased by 48.0 per cent and 45.6 per cent respectively in the post SHG situation and they were able to talk with others freely. The study further revealed that about 80.0 per cent of the members were able to save money with banks and post office and monthly savings of members had increased up to Rs. 2,000 in the post SHG period. The study pointed out that assets value of the members had increased by 70.0 per cent in the post SHG period. The study concluded that the contribution of SHG in changing the socio-economic life of the members was significant.³

Thelma Kay (2002) viewed in his paper 'Empowering Women through Self-help-Micro-Credit Programmers' that the success of microcredit schemes should be measured with broad indicators like meeting basic needs for household subsistence, reducing vulnerability to risks and enhancing social capital and empowering women. The Narathiwat, a Muslim province in southern Thailand, was studied and identified that with suitable support, self-help groups could move on to collective action of the community level. But much more need to be done for sustained poverty alleviation.⁴

Clara Fayorsey discussed the various microcredit schemes as new paradigm' thinking about socio-economic development, debating on explicit ability of microcredit in empowering rural Ghanaian women was made and concluded that the data to support the view that micro-credit leads to women's empowerment at grassroots level was scanty. The reason identified was that organizations dealing with micro-credit had not developed a method for closely tracking changes in levels of empowerment. Most of these schemes assumed that micro-credit automatically leads to women's empowerment.⁵

OBJECTIVES

1. To know the financial progress under SHG bank linkage programmed of deendayal antyodaya yojana-national rural livelihoods mission-2023
2. To study State-wise Number of Self Help Groups (SHGs) Formed under Deendayal Antyodaya Yojana National Rural Livelihoods Mission (DAY-NRLM) in India-2013

METHODOLOGY

The current study is supported by secondary data. A qualitative approach to this research framework is provided by secondary data collected from reputable and authentic government offices, agencies, organisations, survey reports, private studies, websites, journals, newspapers, and annual reports. By its very nature, research design is descriptive.

TABLE-1
FINANCIAL PROGRESS UNDER SHG BANK LINKAGE PROGRAMME OF DEENDAYAL ANTYODAYA YOJANA-NATIONAL RURAL LIVELIHOODS MISSION-2023

States/UTs	Amount of Bank Loan Accessed	Amount of Bank Loan Accessed (%)
Andaman & Nicobar Islands	140.00	0.00100282
Andhra Pradesh	3866000.00	27.6920807
Arunachal Pradesh	2250.00	0.01611671
Assam	154000.00	1.10309892
Bihar	866480.00	6.20657891

Chhattisgarh	106500.00	0.76285737
Dadra & Nagar Haveli and Daman & Diu	180.00	0.00128934
Goa	4510.00	0.03230504
Gujarat	72000.00	0.51573456
Haryana	22900.00	0.16403224
Himachal Pradesh	17500.00	0.12535215
Jammu & Kashmir	31700.00	0.22706647
Jharkhand	200500.00	1.43617749
Karnataka	2101100.00	15.0501373
Kerala	617000.00	4.41955866
Ladakh	300.00	0.00214889
Lakshadweep	100.00	0.0007163
Madhya Pradesh	200000.00	1.432596
Maharashtra	439200.00	3.14598082
Manipur	3200.00	0.02292154
Meghalaya	14000.00	0.10028172
Mizoram	5900.00	0.04226158
Nagaland	5900.00	0.04226158
Odisha	511200.00	3.66171538

Puducherry	14750.00	0.10565396
Punjab	19000.00	0.13609662
Rajasthan	144000.00	1.03146912
Sikkim	5000.00	0.0358149
Tamil Nadu	978500.00	7.00897593
Telangana	1754000.00	12.5638669
Tripura	23000.00	0.16474854
Uttar Pradesh	175000.00	1.2535215
Uttarakhand	19600.00	0.14039441
West Bengal	1585260.00	11.3551857
India	13960670	100.00

Source: Lok Sabha Unstarred Question No.4419, dated on 28.03.2023.

Table-1 explains the financial progress under SHGs bank linkage programmed of deendayal antyodaya yojana-national rural livelihoods mission in India.-2023. Financial progress under SHGs bank linkage programme of deendayal antyodaya yojana-national rural livelihoods mission highest percentage in Andhra Pradesh 27.69. SHGs bank linkage programmed of deendayal antyodaya yojana-national rural livelihoods mission second largest percentage in Telangana. The remaining states and union territories not significant percentages SHGs bank

linkage programmed of deendayal antyodaya yojana-national rural livelihoods mission in India.

TABLE-2
STATE-WISE NUMBER OF SELF HELP GROUPS (SHGS) FORMED UNDER
DEENDAYAL ANTYODAYA YOJANA NATIONAL RURAL LIVELIHOODS
MISSION (DAY-NRLM) IN INDIA-2013

States/UTs	No.of SHGS FORMED	No. of SHGS FORMED (%)
Andaman & Nicobar Islands	116	0.00139
Andhra Pradesh	84115	1.008001
Arunachal Pradesh	634	0.007598
Assam	19322	0.231547
Bihar	32658	0.391361
Chandigarh	522	0.006255
Chhattisgarh	33454	4.008997
Delhi	1057	0.012667
Goa	749	0.008976
Gujarat	37123	4.448676

Haryana	7456	0.893498
Himachal Pradesh	4340	0.052009
Jammu & Kashmir	3543	0.424579
Jharkhand	19778	2.370119
Karnataka	29920	3.585496
Kerala	24891	2.982841
Ladakh	36	0.004314
Madhya Pradesh	55872	6.695483
Maharashtra	94567	11.33254
Manipur	3270	0.391864
Meghalaya	399	0.047815
Mizoram	1323	0.158543
Nagaland	597	0.071542
Odisha	37858	4.536756
Puducherry	925	0.110848
Punjab	9666	1.158336
Rajasthan	31593	0.378598
Sikkim	90	0.010785
Tamil Nadu	122516	14.68184

Telangana	45950	5.506469
Tripura	4040	0.484138
Uttar Pradesh	60777	7.283279
Uttarakhand	3411	0.408761
West Bengal	61905	7.418455
India	834473	100.00

Source: Lok Sabha Unstarred Question No. 1604, dated on 26.07.2023.

The table -02 explains the State-wise Number of Self Help Groups (SHGs) Formed under Deendayal Antyodaya Yojana National Rural Livelihoods Mission (DAY-NRLM) in India-2013. Maharashtra is the highest number of SHGS in India 11.33254 percentages. Tamilnadu occupying the second largest number of SHGS in India (14.68184 percentages). Some states and have not recognizable percentages of number SHGs In India .Remaining states have not significant branch offices of SHGs in India.

CONCLUSION

Deendayal Antyodaya Yojana - National Rural Livelihoods Mission (DAY-NRLM) is the flagship program of the Ministry of Rural Development (MoRD) for promoting poverty reduction through building strong institutions for the poor, particularly women, and enabling these institutions to access a range of financial services and livelihoods. DAY-NRLM adopts a demand-driven approach, enabling the States to formulate their own State-specific poverty reduction action plans. The blocks and districts in which all the components of DAY-NRLM would be implemented, either through the SRLMs or partner institutions or NGOs, would be the intensive blocks and districts, whereas the remaining would be non-intensive blocks and districts. National Rural Livelihood Mission (NRLM) is a restructured version of restructuring Swarnajayanti Gram Swarojgar Yojana (SGSY). NRLM was renamed as DAY-

NRLM (Deendayal Antyodaya Yojana - National Rural Livelihoods Mission) w.e.f. March 29, 2016.

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