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Title of the paper

Facilitating Sustainable Development of Rural Women through Financial Inclusion with Special Reference to National Rural Livelihood Mission in State of Haryana (India): An Assessment

Author(s)

Dr. Navreet Kaur

*Assistant Professor, Department of Public Administration, Panjab University
Chandigarh, India*

E-mail : navreet9@gmail.com

Ms Manju Dalal

*Research Scholar, Department of Public Administration, Panjab University
Chandigarh, India*

E-mail: manjudalal.manju@gmail.com

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**FACILITATING SUSTAINABLE DEVELOPMENT OF RURAL WOMEN
THROUGH FINANCIAL INCLUSION WITH SPECIAL REFERENCE TO
NATIONAL RURAL LIVELIHOOD MISSION IN STATE OF HARYANA (INDIA):
AN ASSESSMENT***

Abstract

Equality between men and women is more than a matter of social justice. It is fundamental human right (UNDP).¹ In the Inequality Adjusted Human Development Index; the average loss due to inequality is 32 percent at the All-India level. Government of India had taken many initiatives to create opportunities through financial inclusion, capacity building and build a foundation for sustainable development. NRLM is a holistic programme and its main tenets are key activities, cluster approach and group method. The basic objective of NRLM is to bring the assisted poor families above poverty line by providing them income-generating assets through bank credits and government subsidy and to inter organize the rural poor into Self Help Groups through the process of social mobilization and capacity building. An attempt has been made in this paper to assess the implementation of NRLM in state of Haryana. An attempt also has been made to analyze the role of NRLM as Facilitator financial inclusion of rural poor women for microenterprise development and to study the accessibility of credit to rural women for sustainable development. In the research paper both primary as well as secondary data has been used. The primary data has been collected from the state of Haryana. The data has been collected from two districts namely Panchkula and Kurukshetra. It has been found that financial inclusion helped in sustainable development of rural poor women and the participation in SHG's activities through NRLM has increased micro entrepreneurship opportunities for women. Financial Inclusion through NRLM has also increased social mobilization of Self Help Groups.

Key Words: Sustainable Development; Financial inclusion, Micro finance, Self Help Groups, women empowerment.

Introduction

Empowerment of women is essential to harness the women labour in the main stream of economic development. In economic development, the empowerment approach focuses on mobilizing the self-help efforts of the poor, rather than providing them with social welfare. To increase the economic opportunities, women need access to better climate that supports them in starting and doing business, a financial sector gives them access to financial services and greater livelihood security in times of crises (UNDP).² Along with the economic liberalization, privatization, participatory governance, sustainability is an accepted part of development orthodoxy. This leads to empowerment which covers social, political and economic aspect of all the facets of women development and greater decision making powers with transformative actions. (R. Gaonkar, 2013).³

The Women in Development approach believed that women played a central role in the life of their community and particularly within their family as mothers, educators, and care providers and as workers. The central issue stressed on the absence and exclusion of women from development programmes. This approach supported the solution of integrating women into development programmes in order to improve women's access to resources and their participation in development (World Bank).⁴ Women and Development therefore argued that the integration of women into development was their disadvantage and only worsened their chances of equality (Valerie Duffy, 2011).⁵

The sustainable development through financial inclusion is enhancing the opportunities to women living in rural areas and vulnerable environments.

Sustainable Development

The concept of sustainable development came to limelight for the first time after the world commission on Environment and Development in 1987. It defines sustainable development as “the development that meets the needs of the present, without compromising the ability of future generations to meet their own needs” (A.E OBIO and H.E OKOL 2010).⁶ This definition is based on the two concepts: first is the concept of ‘Needs’ and other is the ‘limits’. Need refers to the requirement necessary for maintaining the reasonable life style of the people and the limit imply carrying capacity of the environment to fulfil the needs of present and future. The concept was further developed at the United Nations Conference on environment and development (UNCED) in 1992, where agenda 21 and local agenda 21 were taken up. The agenda 21 aimed at reducing poverty, providing clean drinking water and health care services etc. OECD defines it as the broad view of human welfare, a long term perspectives about the consequences of today’s activities and the full involvement of civil society to reach viable solutions (OECD 2001).⁷ According to Waller- Hunter & Jones sustainable development is defined as “human wellbeing includes not only the satisfaction of economic needs, but also aspiration for a clean and healthy environment and preferences in terms of social and economic development. (Waller H. and Jones T. 2002).⁸

Sustainable development emphasizes the ability of individuals and groups to engage with, shape and benefit from development processes in households, communities and countries.

Dimensions of Sustainable Development

Economic Dimension- Productions of goods in a sustain manner, better investment, financial sustainability and to maintain sectoral balance etc.

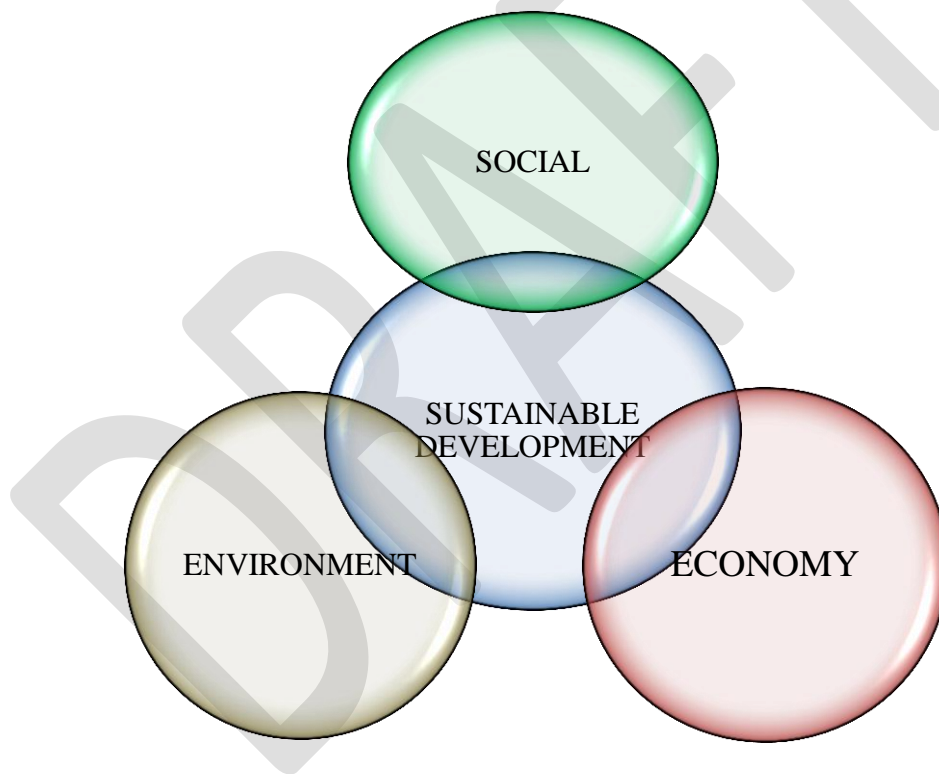
Social Dimension- This refers to privilege of equity, adequacy of social service, gender equality, accountability on the part of governance and citizen participation etc.

Environmental Dimension- This means adequacy of resources, restrained use of renewable and non renewable resources, maintaining ecological balances etc. (P. Anne 2004).⁹

Three pillar basic model of Sustainability

It uses the three dimension economy, environment and society. The diagram shows three interlocking circles with Environment (conservation), Economy (growth) and Social (equity) dimensions. Sustainable development is modelled on these three pillars.(CEE).¹⁰

Fig. 1.1 Dimensions of Sustainable Development



Sustainable Development and livelihood

Sustainability connotes self sufficiency and an ideology of long term self restraint and self reliance. A livelihood comprises people, their capabilities and their means of living including

food, income and assets. A livelihood is socially sustainable which cope up and recover from stress and shocks, and provide opportunities to the future generations. (Chambers R. 1991).¹¹

The concept of sustainable livelihood was put forward in the report of an advisory panel of the world Commission on Environment and Development. It proposed sustainable livelihood security as an integrating concept and made it central to the report (WCED 1987). In the report livelihood is defined as adequate flows of food and cash to meet basic needs. Sustainable refers to the enhancement of resource productivity on a long term basis.

Sustainable livelihood are achieved through access to a range of livelihood resources (natural resources, economic, human and social capitals) which are combined to the different livelihood strategies (agriculture, livelihood diversification, intensification etc.) (Scoones, I. 2002).¹²

Rural Women and Sustainable Development

The empowerment of rural women is essential for the sustainable development of rural India. The sustainable development through SHG's helps the poor women to build the self confidence and development opportunities. It paves the way to underprivileged sections of the society for economic upliftment and livelihood opportunities. The government has taken initiatives to build the capacity of rural poor women and to enhance the micro entrepreneurship strategies through the financial institutions (UNDP).¹³ Financial Inclusion and Capacity Building for the socio-economic development of women are mandatory for equitable growth, especially for the developing nations. Financial inclusion is the integration of the financially excluded into the mainstream banking system, thus providing them a platform for empowerment out of their state of economic and financial provisions. Micro finance programmes are addressing both poverty alleviation and women's empowerment and

entitled to the sustainable development of the poor. SHG's expose the efficient capacity of credit and finance management among rural poor (Sarkar Sumitra2010).¹⁴

Microfinance as Financial Inclusion strategy

The Term "Micro Finance" has two components namely 'Micro' and 'Finance'. The word 'micro' is applied in terms of smallness by and large for representing the poor/ low income people. The word 'Finance' which is suffixed with Micro represents small amount of finance matching the needs of the poor/low income people. Since needs of the poor goes beyond credit, the word 'Finance' here covers savings, insurance and other financial and non financial services for their development (CGAP).¹⁵

According to Asian Development Bank's (ADB) microfinance development strategy defines microfinance as providing a broad range of financial services, such as: Deposits; Loans; Payment services; Money transfers; Insurance to poor and low income households and their micro-enterprises (ADB).¹⁶

The low income people especially those living in rural areas have been unable to obtain basic financial services, like saving accounts, credit, insurance and payment services from the formal financial sector. Microfinance is the provision of these services through innovative business models (Elizabeth, 1.2007).¹⁷ Microfinance is an important catalyst for poverty reduction. Impact assessments have demonstrated that financial services for the poor improve people's lives by increasing their income and improving their capacity to pay for social services.

The microfinance is the mechanism to increase access of poor and marginalized sections to the institutional finance to make them economically independent and realization of skills in various enterprises. Microfinance in broader terms it encompasses following activities:

Micro-credit: It is a small amount of money given as loan to a client by a bank or other institution. Micro-credit can be offered, often without collateral, to an individual or through group lending.

Micro-savings: These are deposit services that allow one to save small amounts of money for future use. Often without minimum balance requirements, these savings accounts allow households to save in order to meet unexpected expenses and plan for future investments.

Micro-insurance: It is a system by which people, businesses and other organizations make a payment to share risk. Access to insurance enables entrepreneurs to concentrate more on developing their businesses while mitigating other risks affecting property, health or the ability to work (K Khandelwal 2007).¹⁸

Impact of Microfinance

World Bank had conducted the studies for better assessment and to enhance the effectiveness of microfinance for sustainable development. The impact assessments have focused on microcredit programmes.

- Impact considers income growth, asset building, and reduction of vulnerability.
- Impact indicators extend beyond enterprise measures (assets, employment, revenues) to include multiple dimensions of poverty, including overall household income, social improvements in health and education, and empowerment (in terms of increased self-esteem and control of household resources among women). (World Bank).¹⁹

Impact on Household level: The studies had concluded the impact on household level.

Microcredit leads to an increase in household income. The use of loans and deposit services can result in a diversification of income sources and enterprise growth.

- Financial services enable client to build the human assets by use of loan to make the investment in health and education.

- Poor people are very vulnerable and move from one crisis to another. Access to microfinance enables them to manage risk better and take advantage of opportunities.

Individual level: The studies had also concluded the impact on individual level.

- For women money management, greater control over resources and access to knowledge leads to greater choices and a voice in family and community matters.
- Microfinance clients tend to have higher level of savings than non-clients to build the assets (Monique Cohen, 2013).²⁰

The government in developing countries has implemented many programmes to enhance the status of microfinance for better sustainable development. Indian government had also invested in microfinance. The fig.1.2 shows the growth in microfinance sector during year 2009-2015.

Fig.1.2 Growth in Microfinance Sector 2009-2015



Source: Sa-Dhan (2015) 'Bharat Microfinance Report'

The table shows that the client outreach and loan disbursement has increased from year 2009-2015. However the number of client outreach and loan disbursement was declined in the

year 2011-12 and 2012-13. The outstanding loan portfolio has progressively increased in the year 2009-2015.

The Previous Studies Conducted on Impact of Microfinance

Selvakumar conducted a research on working of SHG,s and Microfinance and has revealed that support from financial institutions develop the credit facilities amongst the poor to maintain the livelihood. Inclusive financing at affordable cost to low income segments provides financial services in convenient way and government has developed financial plans in rural areas to create better access of microfinance institutions. There is significant association between income and level of interest with the services related to credit. The poor people have created assets and control over the resources (M. Selvakumar, 2015).²¹ S. Bagli and Dutta stated that financial inclusion brings the disadvantaged sections of people under the purview of formal financial institutions. SHG,s are successful to promote financial inclusion of the rural women. Duration of participation in SHG,s has increased the amount of formal savings and borrowings of the rural women. SHG,s make easy the access of formal savings and credit facilities. Bank and co-operatives provide relaxation to the poor women in terms and conditions for having access to formal savings and credit for income generating activities. In order to achieve complete financial inclusion in rural areas there is need to extend the SHG programme more intensively (Bagli, and Dutta 2013).²² Another research paper by T.P. Shashikumar discussed the issues and challenges involved in financial inclusion for inclusive growth and highlight the factor that can aid in achieving inclusive growth through the institutions. Financial inclusion is such an intervention that seeks to overcome the friction that hinders the functioning of financial institutions to provide the facilities to the unprivileged sections. The programmes which are increasing the quality of micro credit projects for sustained livelihood of the poor (T.P. Shashikumar 2013).²³ Thapar A. in the study evaluated that in villages for promoting financial services and inclusion programmes Banks

need to open more branches within rural areas for financial literacy among the unprivileged and unbanked people. The awareness about benefits of banking services for the better credit facilities will help the rural poor for economic growth. Financial inclusion requires efforts of RBI, all the banking institutions, and the general public for the betterment of inclusive growth (A. Thapar 2013).²⁴

The Microfinance has become a major credit disbursement mechanism in many parts of the world and the SHG efforts helped in sustainable development and economic empowerment through financial inclusion.

Financial Inclusion

Access to transaction account is first step towards financial inclusion to allow the people to store money, send money and receive payments. It is the main focus of World Bank group universal financial access to 2020 initiative. It is a priority for development agencies globally. Since 2010 more than 55 countries have made commitments to financial Inclusion or more than 30 have launched or developing a national strategy to increase the pace and impact of reforms (World Bank).²⁵

Financial Inclusion Indicators

The indicators can be used to set financial targets and monitor progress in reaching them. The main types of indicators to measure financial Inclusion are:

Access indicators; Usage indicators; Quality Surveys on Financial inclusion; Demand side data Surveys – Information about users of financial services (individual, household, firms); Demographic characters (by income, occupation, age, gender.); Supply side data surveys

;Geographic access (branch location); Pricing of products and services; Usages of product services.

The programmes or schemes, initiated by Government of India have lead to the opportunities like Financial Inclusion and Capacity Building for the socio-economic development of women. Financial inclusion is extremely crucial for poverty reduction and equitable growth, especially for the developing nations. Financial inclusion is the integration of the financially excluded into the mainstream banking system and providing them a platform for development out of their state of economic and financial provisions.

Financial Inclusion in India

India has a historic and well-structured banking system to cater to the financial needs of individuals, households and contribute towards the improvement and advancement of the nation. The Indian banking sector consists of the Reserve Bank of India as apex body. All Banks in the Country are advised by RBI, since November 2005, to take all measures and adopt suitable strategies. One element of the strategy enumerated, to achieve the desired target of Financial Inclusion, is through - (a) No-frills accounts, (b) diluted Know-Your-Customer (KYC) norms, (c) Banking Correspondents (BCs) and (d) use of Information Technology.

Making poor the preferred clients of the banking system and mobilizing bank credit is core to the financial inclusion and investment strategy. Financial inclusion includes micro credit, branchless banking, no-frills bank accounts, saving products, pension for old age, microfinance, self help group, entrepreneurial credit etc. Reserve Bank of India (RBI) defines Financial Inclusion as providing access to appropriate financial products and services to the most vulnerable group of the society in a fair, transparent and cost-effective manner by the

mainstream financial institutions (RBI).²⁶ Reduction in poverty in a country is main objectives of developing and developed nations as well. These countries had formulated strategies keeping in view their local needs to mitigate poverty. The financial services are a better way to access the banking facilities for the poor at an affordable cost. The sources of credit represent linkage between banks and Self Help Groups and provide credit fund for women to enhance livelihood opportunities (NABARD).²⁷

SHG Bank Linkage Programme

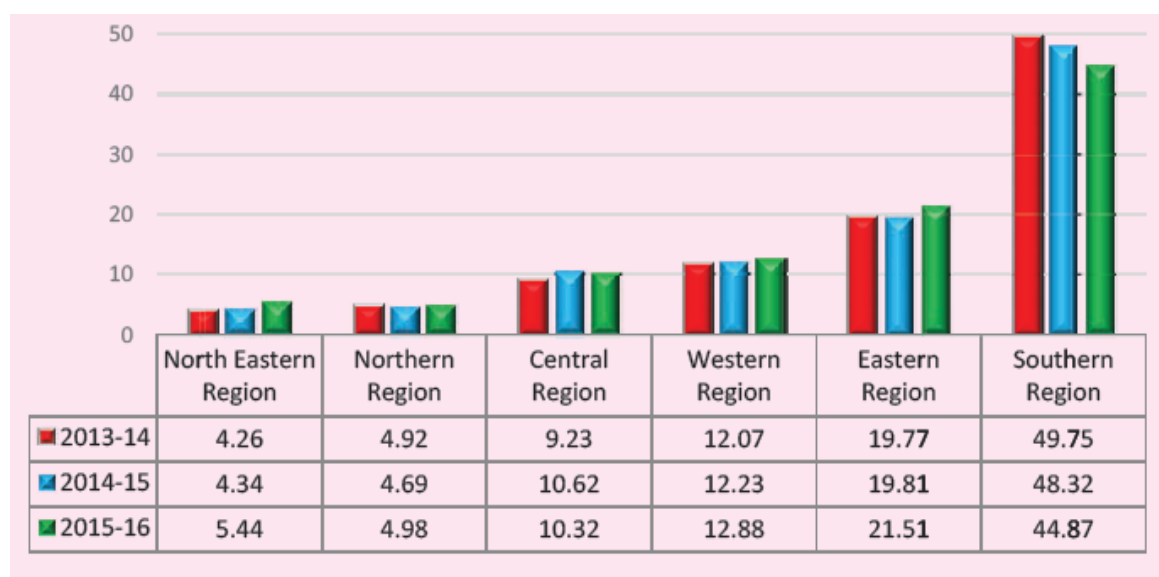
Access to finance without co-lateral is one of the controls over financial resources. Poor are prone to agents and their exploitation has done due to their financial needs. The Self Help Groups (SHGs) emerged as a part of financial system with small, informal and homogenous group of about 20 persons, who come together voluntarily to attain certain collective social or economic goals. The essential features of SHGs include members belonging to the same social strata and sharing a common ideology. SHGs is predominantly used in the case of economically poor people, generally women, who come together to pool their small savings and then use it among themselves.

The linkages of SHGs with banks aims at using the intermediation of SHGs between banks and the rural poor for cutting down the transaction costs for both banks and their clients. The objectives of the linkage programme are:

- 1) To evolve supplementary credit strategies for meeting the credit needs of poor by combining the flexibility, sensitivity and responsiveness of the informal credit system with the strength of technical and administrative capabilities and financial resources of the formal financial institutions.
- 2) To build mutual trust and confidence between bankers and the rural poor.

- 3) To encourage banking activity, both on the thrift and credit sides, in a segment of the population that formal financial institutions usually find difficult to reach (NABARD).²⁸

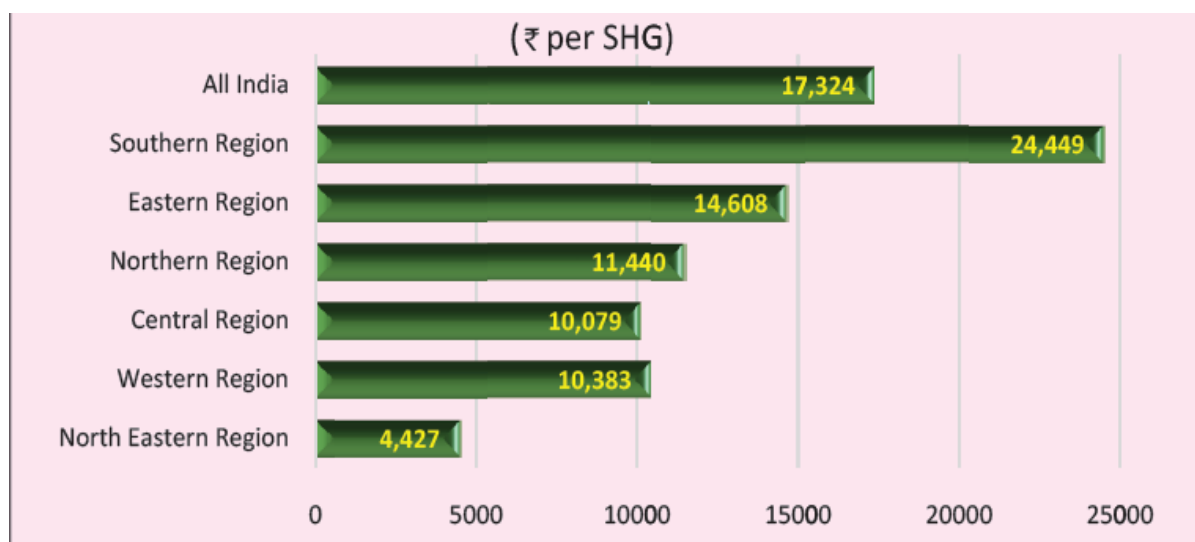
Fig.1.3 Region Wise Distribution of No. of SHGs with Saving Linkages in 2013-14 to 2015-16



Source: Status of Microfinance 2015-16.

The share of Southern Region in number of SHGs has declined from almost half (49.8%) in 2013-14 to 44.9% in 2015-16. North Eastern Region has recorded a 29% rise in number of SHGs during 2015-16. All states in Northern, North Eastern, Western and Eastern Regions have registered increase in number of SHGs with savings linkage during the year 2015-16.

Fig.1.4 Region Wise Average Savings (Rs. per SHG)



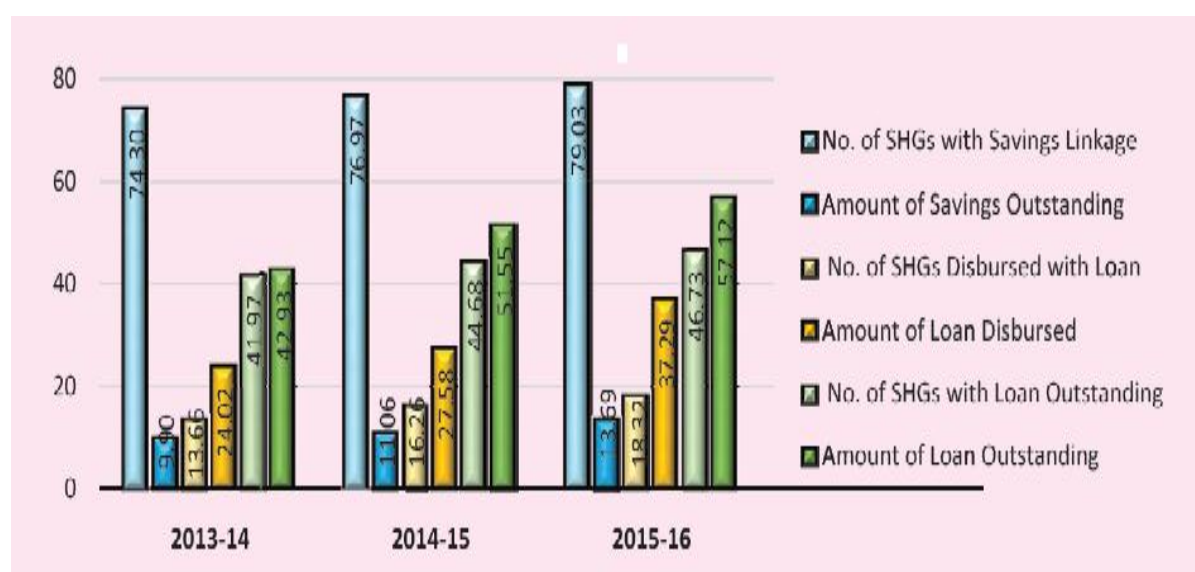
Source: Status of Microfinance 2015-16.

The savings of SHGs as on 31 March 2016 has 13,691 crore. The average savings per SHG increased by 21% during the year 2015-16 to 17,324 crore as on 31 March 2016 from 14,368. The average savings outstanding was highest in Southern Region and lowest in North East Region.

Fig. 1.5 gives an account of savings, credit disbursement and credit outstanding of total SHGs under NRLM during past three years.

Fig.1.5 Progress of SHG BLP during 2013-14 to 2015-16

(No. in Lakh/Amount in Crore)



Source: Status of Microfinance 2015-16

The number of SHGs having savings linkage increased to 79.03 lakh as on 31 March 2016 from 76.97 lakh. The domain of SHGs consists of 85.6% women groups which play a crucial role in empowerment of the poor rural women. During the year 2015-16, the coordination between bank and NRLM ensured that more and more SHGs got bank loans. During the year 2015-16, 18.32 lakh SHGs were disbursed bank loan of 37,287 crore. 44.5% of total SHGs receiving bank credit during the year were covered under NRLM and they availed 45% (16,786 crore) of the total amount disbursed.

National Rural Livelihood Mission (NRLM)

The Ministry of Rural Development (MoRD) Government of India (GoI) constituted a committee on credit related issues under chairmanship of Prof. Radhakrishna to look into various aspects of the scheme implementation. The committee recommended adoptions of a 'livelihood approach' to eliminate rural poverty, encompassing the four inter related tasks to:

- Mobilise the poor households into SHG's;
- To enhance their access to bank credit and other financial, technical and marketing services;
- To build capacities and skills of the poor to ensure sustainable livelihood opportunities;
- To converge social and economic support services to the poor with different schemes.

The programmes of Ministry of Rural Development (MoRD), Government of India for self employment started with Integrated Rural Development Programme (IRDP) in the year 1980. In 1999, IRDP was transformed into Swarnjayanti Gram SwarozgarYojana (SGSY). The government restructured SGSY into National Rural Livelihoods Mission (NRLM) since Financial Year 2010-11 to provide greater focus for poverty reduction and to achieve the Millennium Development Goals (MDG). The Framework for Implementation for NRLM was approved by the Ministry on 9th December, 2010 and the Mission was formally launched on 3rd June, 2011. The objective of the ministry is to encourage, promote and assist voluntary actions in the implementation of projects for the enhancement of rural prosperity, strengthen and promote voluntary efforts in rural development. (MORD).²⁹

NRLM's main goal is to provide the sustainable livelihoods opportunities to the poor and ensure better quality of life. The SHGs provide the platforms for collective action based on self-help and mutual cooperation. The institution becomes the internal sensitive support structures for the poor (APMAS).³⁰

Features of NRLM

The salient features of NRLM are:

1. Social mobilization of rural Below Poverty Line (BPL) families;
2. Financial inclusion of the rural BPL households;

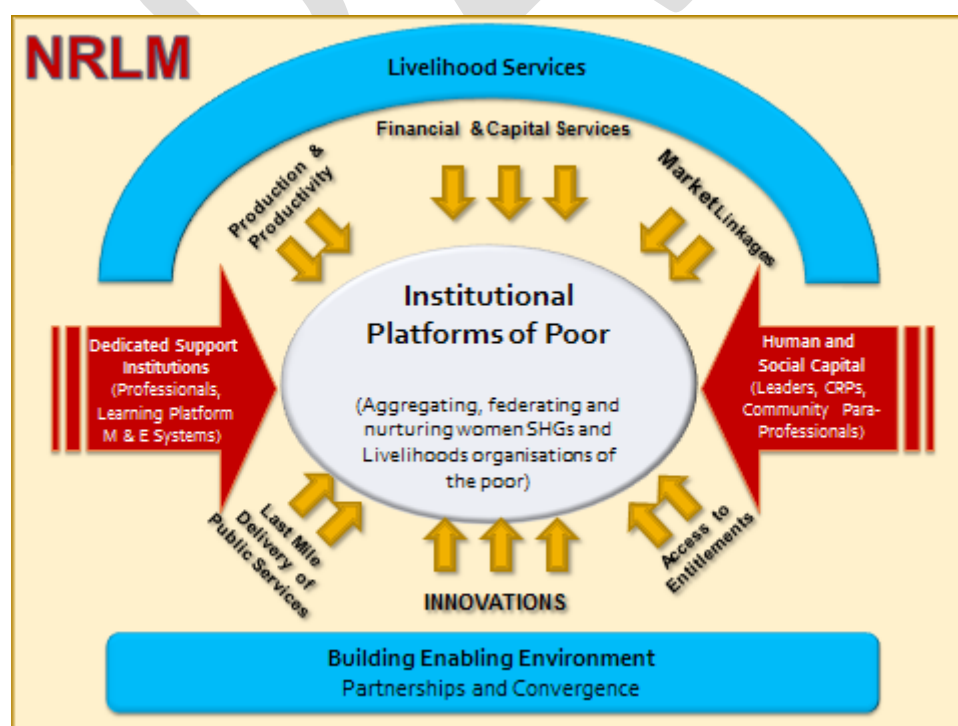
3. Training and capacity building of the beneficiaries;
4. Support for infrastructure creation and marketing of products of the beneficiaries;
5. Setting up of dedicated support infrastructure from the national to sub-district level.

(A. Surendran 2013).³¹

NRLM implementation in a Mission Mode enables:

- (a) It formulate the poverty reduction action plans by shift from the allocation based strategy to a demand driven strategy,
- (b) It also focus on efficient outcomes,
- (c) It creates linkages with livelihoods opportunities for the poor and their capacity building,
- (d) It monitors the targets of poverty plans outcomes.

Fig.1.6 Overview of NRLM



Source: nrlm.gov.in.

Inclusive Growth through NRLM

NRLM as a demand driven strategy helps to eradicate poverty and paves the way for inclusive growth in different manners. These are as under:

1. **Universal Social Mobilization:** Women are brought under the Self Help Group (SHG) network and 100% coverage of BPL families with vulnerable sections of the society in which 50% of the beneficiaries are SC/STs, 15% are minorities and 3% are persons with disability.
2. **Promotion of Institutions of the poor:** SHGs federations provide resources for the poor to reduce their dependence on external agencies for better access to the credits.
3. **Training, Capacity building and skill building:** NRLM provide the skills to the poor for link up with markets to manage their livelihoods and to enhance their credit inclusion capacity.
4. **Revolving Fund and Capital Subsidy:** To meet the credit needs in long-run and consumption needs in short-run SHGs are provided with the incentive to beat the habit of saving and build up their own funds. Capital Subsidy fund provided directly to the SHGs through the federations.
5. **Universal Financial Inclusion:** NRLM provide basic banking services to all the poor households, SHGs and their federations. NRLM works on both demand and supply side of Financial Inclusion.
 - On the demand side, it promotes financial literacy among the poor and provides capital to the SHGs and their federations.
 - On the supply side, it encourages use of Information, Communication & Technology (ICT) based financial technologies, business correspondents and community facilitators like 'Bank Mitras'.

6. **Provision of Interest Subsidy:** The rural poor are provided with credit at low rate of interest to make them economically feasible. NRLM has a provision for subsidy on interest rate above 7% per annum for all eligible.
7. **Livelihoods:** Poor have multiple livelihoods for survival as wage labor, small and marginal holding cultivation, cattle rearing, forest produce, fishing, and traditional non-farm occupations.
8. **Infrastructure creation and Marketing support:** NRLM provide support for marketing to the SHG's federations of the poor. NRLM encourage partnerships with public and private organizations for market linkages. Rural Haats also be encouraged to directly link producer groups (SHGs).
9. **Skills and Placement Projects:** National Skill Development Corporation (NSDC) provide 15% of the central allocation under NRLM to maintain momentum to livelihood opportunities in emerging markets, skill and Placement projects through partnership mode. (GOI).³²
10. **Rural Self Employment Training Institutes (RSETIs):** NRLM set up RSETIs in all districts of the country. RSETI form unemployed rural youth into confident self-employed entrepreneurs through need-based experiential learning programme followed by systematic handholding support. RSETIs coordinate with the institutions of the poor to provide better livelihood opportunities.
11. **Funding Pattern:** NRLM is a Centrally Sponsored Scheme and the financing of the programme is shared between the Centre and the States in the ratio of 75:25 (90:10 in case of North Eastern States including Sikkim; completely from the Centre in case of UTs).The Central allocation earmarked for the States would broadly be distributed in relation to the incidence of poverty in the States (NRLM).³³ NRLM's long-term

dedicated sensitive supports extend facilitation support in all their efforts to get out of poverty. The poor achieve increased access to their rights, public services, and better social indicators of empowerment.

Support Structure

NRLM has set up support units at the National, State, district and sub-district levels, to catalyze social mobilization, build institutions, capacities and skills, facilitate financial inclusion and access to financial services, support livelihoods and to promote convergence and partnerships with various programmes and stakeholders (GOI).³⁴

Fig. 1.7 Support Structure

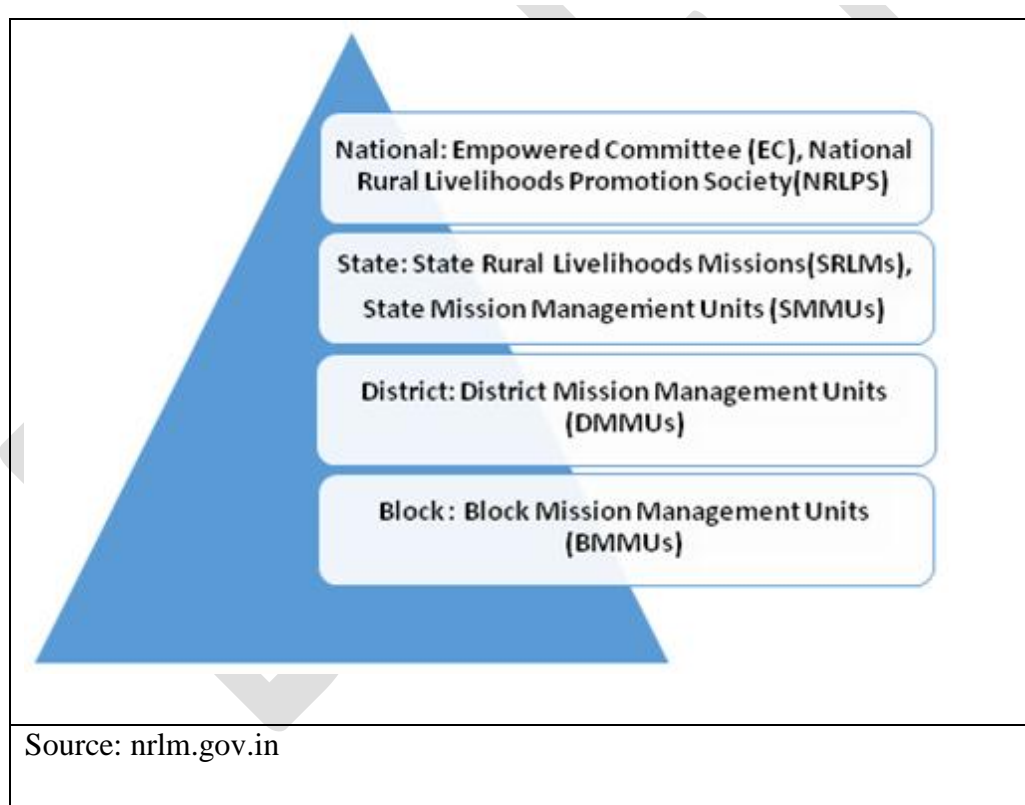


Table 1.1: NRLM Progress

Sr. No.	Indicators	Achievements
I	Geographical Coverage Under NRLM	
1	Number of states/ U.T's transited to NRLM	30
2	Number of Districts with intensive blocks in NRLM states	513
3	Number of Blocks identified for intensive approach in NRLM	3326
4	Number of Blocks where intensive implementation has commenced	3322
5	Number of Grampanchayat in which intensive implementation has started	75957
6	Number of village in which intensive implementation has started	206849
II	Progress in intensive Blocks(includes NRLM-EAP/State Projects)	
1	No. of Households mobilized into SHG's (in lakh)	351.9
2	No. of SHG's promoted (in lakh)	29.9
3	No. of village organizations promoted	162309
4	No. of SHG'S Provided revolving fund	792030
5	Amount of revolving fund disbursed to SHG'S (in lakh)	106,377.9
6	No. of SHG's provided community investment fund	516625
7	Amount of CIS disbursed to SHG's (in lakh)	251,401
8	No. of community resource persons developed	201907
9	Amount of credit mobilized through banks (in lakh)	56,197.8
10	No. of youth provided self employment training under RSETI(in lakh)	13.34
11	No. of Mahila Kisans supported under MKSP (in lakh)	33.54

12	No. of producer group promoted	1485
13	Gross cropped area brought under sustainable agriculture under MKSP (in lakh areas)	38

Source: nrlm.gov.in

National Rural Livelihood Mission in Haryana

Table 1.2 Progress under Microfinance - Savings of SHGs with Public Sector

Commercial Banks (Amount Rs. lakh)

Sl. No.	Name of the Bank	Details of SHGs Saving linked with Banks			Out of Total SHGs - Exclusive Women SHGs			Out of Total SHGs - Under NRLM/SGSY Scheme		
		No. of SHGs	No. of Members	Savings - Amount	No of SHGs	No. of Members	Savings - Amount	No. of SHGs	No. of Members	Savings - Amount
	Haryana									
1	Allahabad Bank	525	6029	67.62	457	5240	57.81	55	653	6.01
2	Andhra Bank	0	0	0.00	0	0	0.00	0	0	0.00
3	Bank of Baroda	82	847	3.01	22	220	0.59	33	339	1.26
4	Bank of India	272	2536	8.53	132	1393	5.60	45	500	2.62
5	Bank of Maharashtra	16	160	14.35	8	80	8.20	0	0	0.00
6	Canara Bank	1131	13530	11364.00	917	11013	9733.00	0	0	0.00
7	Central Bank of India	193	3088	20.96	69	897	11.00	41	656	4.52
8	Corporation Bank	18	180	1.24	17	170	1.23	11	110	0.55
9	Dena Bank	73	530	5.45	54	378	4.32	66	477	5.00
10	IDBI Bank	17	170	0.59	14	140	0.00	0	0	0.00
11	Indian Bank	142	1846	12.47	139	1809	12.22	106	1378	4.10
12	Indian Overseas Bank	11	165	0.89	0	0	0.00	0	0	0.00
13	Oriental Bank of Commerce	2772	24948	178.79	775	6975	42.86	0	0	0.00
14	Punjab National Bank	10522	106617	1425.52	8063	83300	1292.93	4920	51224	438.61
15	Punjab & Sind Bank	705	7050	44.01	459	4590	28.11	0	0	0.00
16	State Bank of Hyderabad	0	0	0.00	0	0	0.00	0	0	0.00
17	State Bank of India	1443	17320	78.00	1242	14909	67.00	1045	12542	56.00
18	State Bank of Patiala	1237	15570	136.60	726	9438	104.25	328	4248	34.12
19	Syndicate Bank	170	2550	13.00	150	2250	9.00	150	2150	11.00
20	UCO Bank	342	2820	16.32	230	2050	11.95	166	1484	3.08
21	Union Bank of India	37	414	4.20	35	387	4.00	25	277	4.10
22	Vijaya Bank	77	847	7.20	61	671	6.23	61	671	6.23
	Total	19785	207217	13402.75	13570	145910	11400.30	7052	76709	577.20

Table 1.2 shows that the Punjab National Bank in Haryana has the highest no. of SHG savings linked with the banks, total exclusive women SHGs and SHGs under NRLM i.e.

10552 groups, 106617 members and 1425.52 crore of saving accounts, 8063 number of exclusive groups and 1292.93 crore of saving amounts for exclusive women SHGs. State Bank of India has linked 78 crore saving amount of the SHGs with the 17320 members and under NRLM 12542 members and 56 crore saving amounts. State bank of Patiala under NRLM linked the savings of 4248 members and 328 SHG,s. Andhra Bank and State Bank of Hyderabad has shown zero savings of SHG.s under NRLM.

Projects and Schemes for Sustainable Development under NRLM

In recent years new approaches to livelihood promotion have evolved, which underline the ecological concept of ‘carrying capacity’ by promoting efforts. These are as follows:

- ❖ **Aajeevika Skills:** The Aajeevika Skill Development Programme (ASDP) is a sub-mission under NRLM. It has evolved out of the need to:
 - cater to the occupational aspirations of the rural youth who are poor and
 - to diversify incomes of the rural poor.

ASDP gives poor communities an opportunity to upgrade their skills and enter the skilled work force in growing sectors of the economy. Training and placement schemes are run in partnership with public, private, nongovernment and community organizations. The target is to skill and place 50 lakhs youth in the formal sector by 2017.

- ❖ **National Rural Livelihood Project (NRLP):** Government of India has availed credit from the International Development Association (IDA) for implementing the National Rural Livelihood Project (NRLP), under NRLM. NRLP has been implemented in 13 high poverty states (Assam, Bihar, Chhattisgarh, Jharkhand, Gujarat, Maharashtra, Madhya Pradesh, Orissa, Rajasthan, Uttar Pradesh, West Bengal, Karnataka and Tamil Nadu) and Intensive livelihood investments have been made by the NRLP. The Planning Commission has allocated an amount of Rs. 29,000

crore for NRLM for the 12th five year plan period. Government of India signed an agreement of an amount of US \$ 1 billion (approximately Rs. 4500 crore) for National Rural Livelihoods Project (NRLP) to be availed over a period of five years with IDA/World Bank in July 2011, in order to provide additional resources for the high poverty states to undertake intensive investments and credit facilities and implementation of mission. National Rural Livelihoods Project (NRLP) has been designed as a sub-set of NRLM to:

- Build capacities of the Centre and States and
- Create an enabling environment to facilitate all States and Union Territories to transit to the NRLM. (GOI).³⁵

❖ **Deen Dayal Antyodaya Yojana – NRLM: Aajeevika** - National Rural Livelihoods Mission (NRLM) was launched by the Ministry of Rural Development (MoRD), Government of India in June 2011. The Mission aims at creating efficient and effective institutional platforms of the rural poor, enabling them to increase household income through sustainable livelihood enhancements and improved access to financial services.

NRLM set out with an agenda to cover 7 Crore rural poor households, across 600 districts, 6000 blocks, 2.5 lakh Gram Panchayats and 6 lakh villages in the country through self-managed Self Help Groups (SHGs) and federated institutions and support them for livelihoods collectives in a period of 8-10 years. In addition, the poor would be facilitated to achieve increased access to rights, entitlements and public services, diversified risk and better social indicators of empowerment. DAY-NRLM believes in harnessing the innate capabilities of the poor and complements them with capacities (information, knowledge, skills, tools, finance and collectivization) to participate in the growing economy of the country.

In November 2015, the program was renamed Deen Dayal Antayodaya Yojana (DAY-NRLM) (GOI).³⁶

❖ **NTG – NRLM Target Group (Aajeevika Target Group)**

Working Group strongly feels that the whole focus of the NRLM needs to be on inclusion of all poor, especially vulnerable and most disadvantaged. Therefore, Working Group strongly advocates for NRLM having its own Target Households (NRLM Target Group – NTG), not necessarily BPL families.

Financial Inclusion of the household from following communities, if not already included in the BPL through NRLM. These are:

- Scheduled Tribes including Particularly Vulnerable Tribal Groups; Scheduled Castes; Nomadic Tribes and De-notified Tribes; Fisher folk; Isolated communities (away from habitations); Households of manual scavengers; Households of bonded labourers; Women headed and managed households (single, divorced, deserted, widows etc.); Households with elderly but with no persons in the age group of 16-59 years; Destitute households; Shelterless households; Households involved in daily wage labour; Households with migrant labour; Households having persons living with HIV and AIDS; Communities affected by/ displaced by natural calamities/ development projects; Households displaced out and communities living in difficult areas (areas under conflict, difficult geographical terrains) etc.

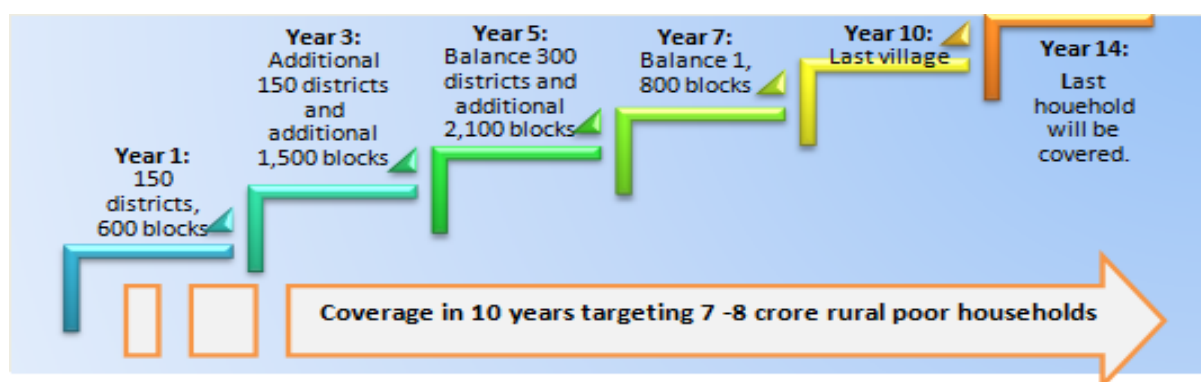
Once social mobilization process is completed in the village and the SHG Federation or Village Organization (VO) is formed, the Village Organization shall be entrusted with the responsibility of identification of further left out poor, strategies for inclusion in the institutions of the poor. Where it is not possible to organize some of the vulnerable, their

needs would be met through the Village Organization, till they reach a stage where they would be organized (Planning Commission).³⁷

Implementation

NRLM as a poverty reduction programme mobilize the poor into effective institutions to promote their financial inclusion. The indicative phasing of the programme is as under:-

Fig.1.8. Phases of Implementation



The blocks and districts in which all components of NRLM are implemented are treated as ‘intensive’ blocks and districts, whereas the remaining as ‘non-intensive’ blocks and districts. (GOI).³⁸

National Rural Livelihood Mission in Haryana

Evaluation of Primary Study

The Primary data has been collected from two districts of Haryana namely Panchkula and Kurukshetra. These districts represent high and least number of Women Self Help Groups (WSHG’s) as per HDI report. The total sample size of the study was 100 beneficiaries. Out of 100, 50 beneficiaries from the highly developed Women Self Help Groups (WSHGs) blocks within each district on the basis of random sampling were selected to assess the implementation of the scheme. The data has been collected through interview schedule to

know the perception of the beneficiaries about the scheme. The processed data has been presented through tabulation and the graphical presentation.

Primary data is based on few parameters.

- 1) Awareness of the beneficiaries towards the NRLM scheme and programmes.
- 2) Economic empowerment of women and impact on sustainable livelihood.
- 3) Access to credit and financial literacy.
- 4) Social mobility.

General Information of SHG beneficiaries

Table 1.3 Reasons for joining SHG

Reasons for Joining SHG	Percent
To Improve Financial Condition	66
For Sustainable development	23
To increase Participation in Community	11

Fig. 1.9



Table 1.3 shows that 66 percent that is majority of the beneficiaries joined the group to improve the financial condition and only 11 percent joined to increase participation in group majority. (See Table 1.3 and Fig.1.9)

Table 1.4 Frequency of SHG meetings

SHG Meetings	Percent
Monthly	2
Weekly	94
After Two Weeks	4

Fig. 1.10

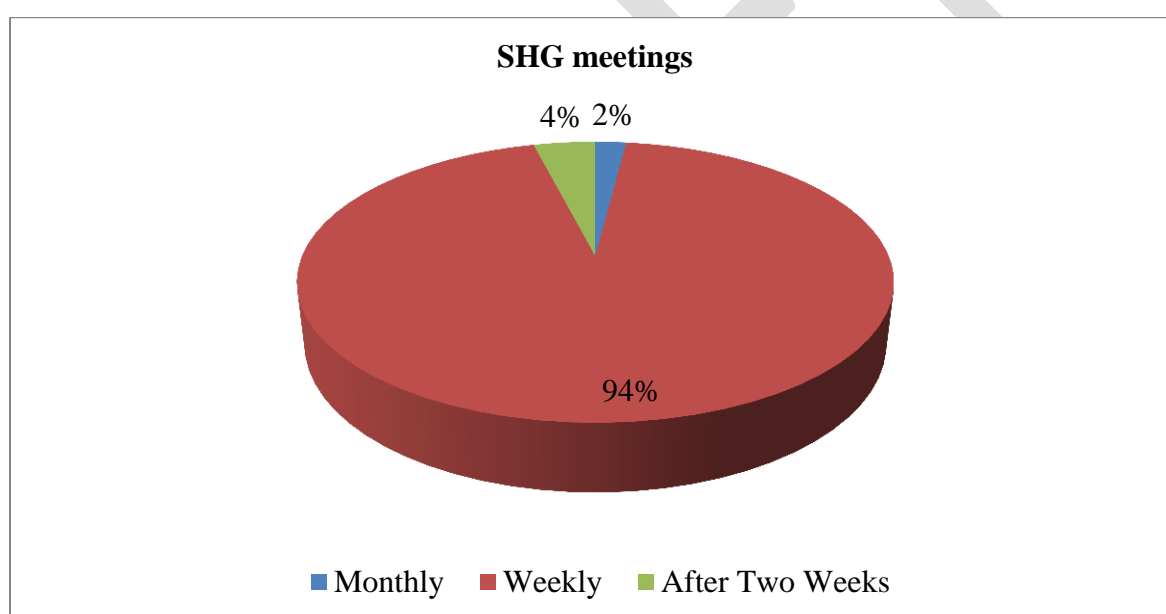


Table 1.4 shows that 94 percent of beneficiaries agree that the meetings of SHG conducted weekly by the Block Programme Manager. (See Table 1.4 and Fig.1.10)

Access to Banks

Table 1.5 Savings in Bank Account

Savings in Bank Account	Percent
No Deposit	6
Irregular Deposit	22
Regular Deposit	72

Fig.1.11

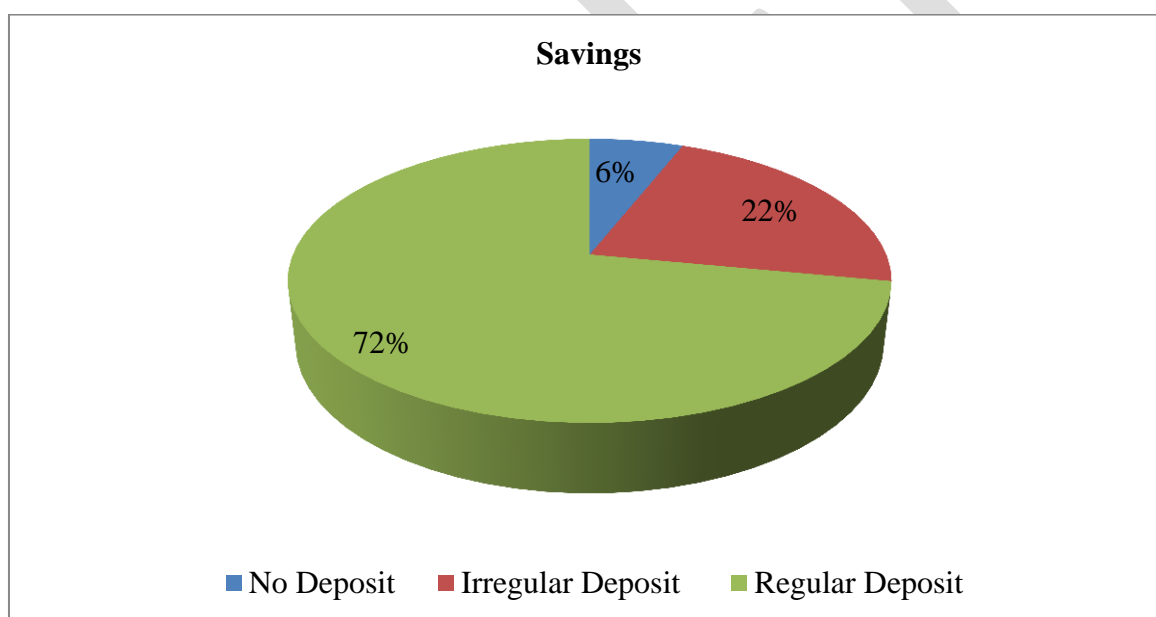


Table 1.5 shows that 72 percent majority of the beneficiaries do regular deposit in banks and only 6 percent do not deposit their income in bank as a member of SHG. (See Table 1.5 and Fig.1.11)

Table 1.6 Ability to Understand the Basic Banking Operation

Ability to Understand the Basic Banking Operation	Percent
Not able to understand at all	25
Sometimes face difficulty	65
Always face difficulty	10

Fig. 1.12

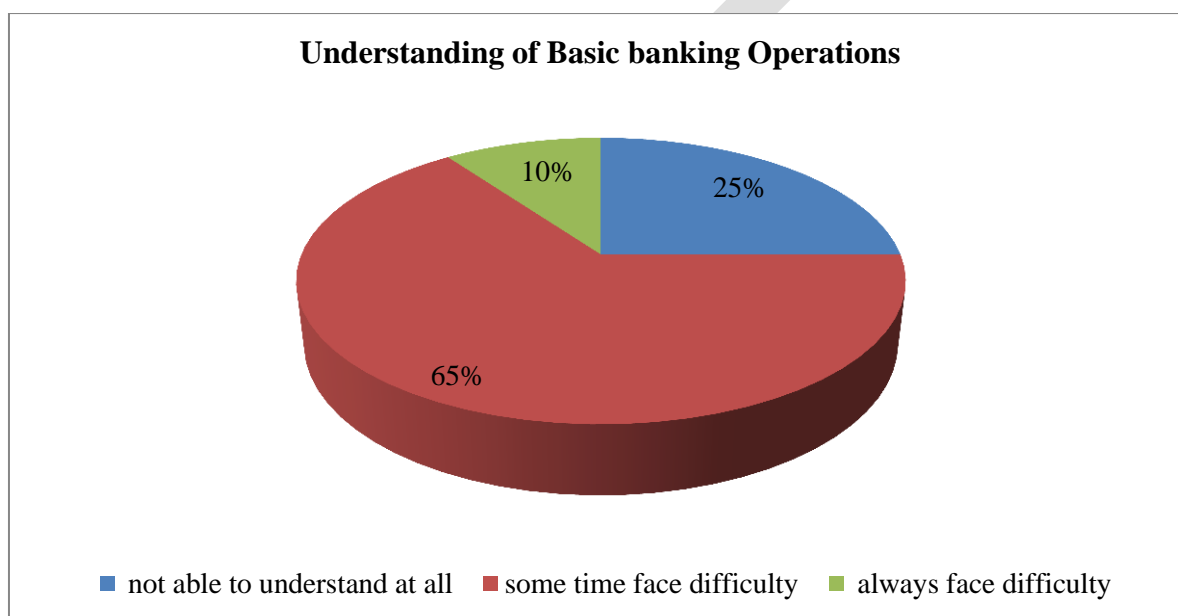


Table 1.6 shows that 65 percent beneficiaries have some difficulty in understanding the banking operation easily and 25 percent are not able to understand at all. (See Table 1.6 and Fig. 1.12)

Table 1.7 Maintenance of Records of Financial Transactions

Maintenance of Records of Transactions	Percent
Never	1
Occasionally	20
Regularly	79

Fig.1.13

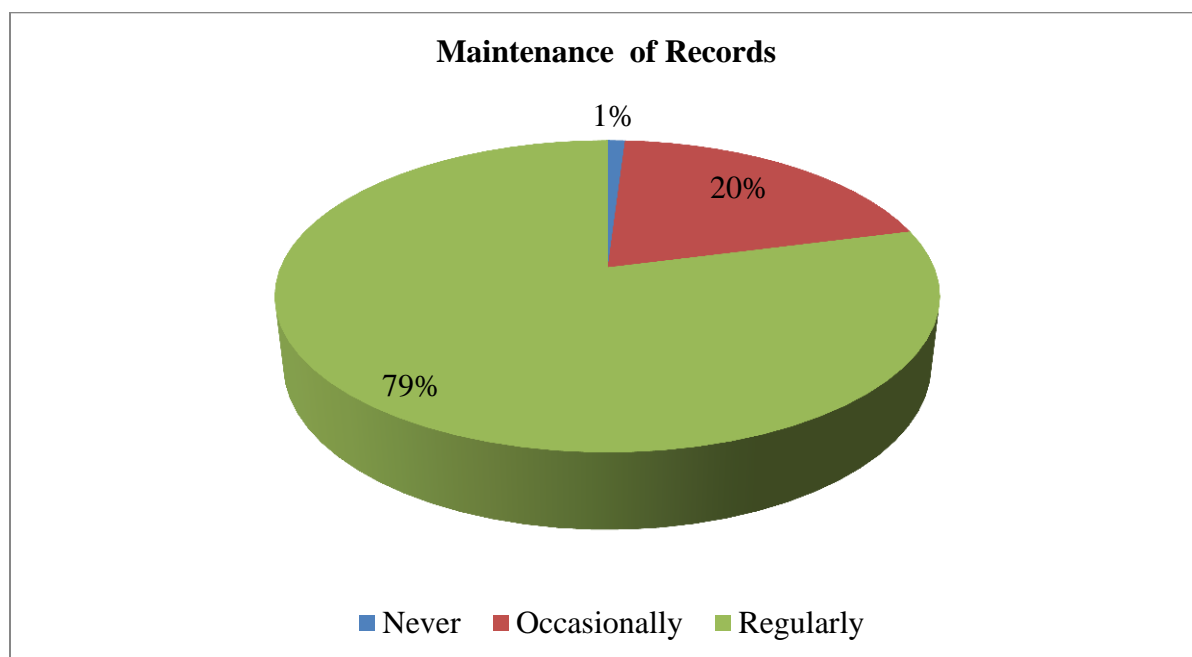


Table 1.7 clearly reflects that 79 percent of the beneficiaries maintain the financial records regularly and only 1 percent never maintained the records. (See Table 1.7 and Fig.1.13)

Table 1.8 Behaviour of Bank Officials when SHG member approach them

Behaviour of Bank Officials	Percent
Very Good	3
Good	45
Rude	52

Fig.1.14

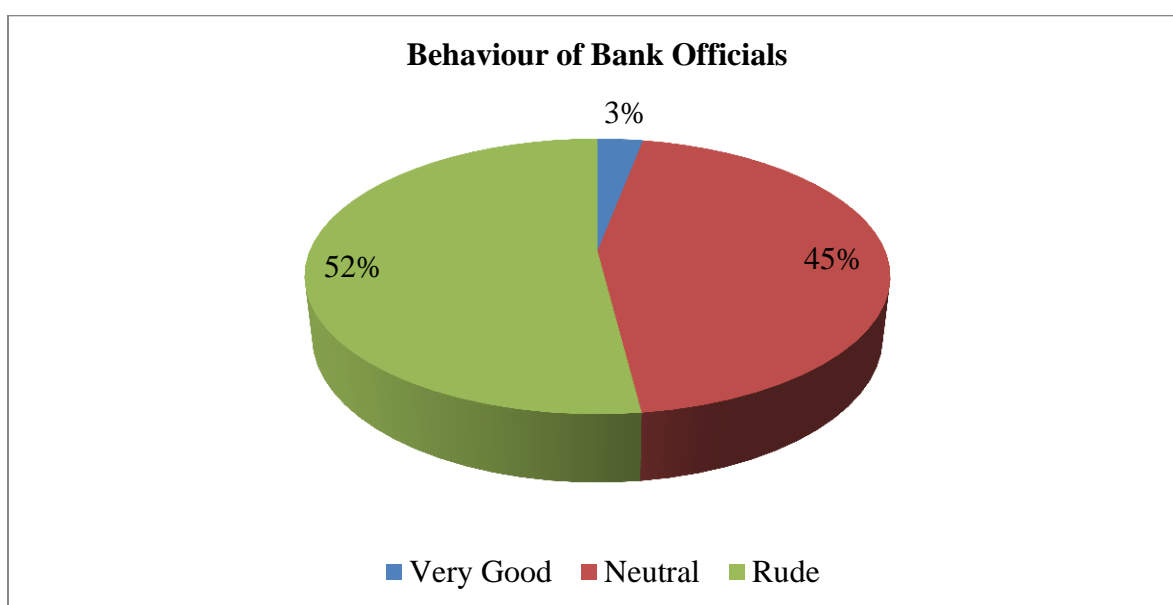


Table 1.8 shows that 52 percent beneficiaries are not satisfied with the behavior of bank officials, and only 3 percent are highly satisfied with very good behavior. (See Table 1.8 and Fig.1.14)

Indicators of Economic Empowerment

Table 1.9 Which Type of Business you have Started

Business	Percent
Sewing	46
Dairy Farming	29
Handicrafts	13
Any Other	12

Fig.1.15

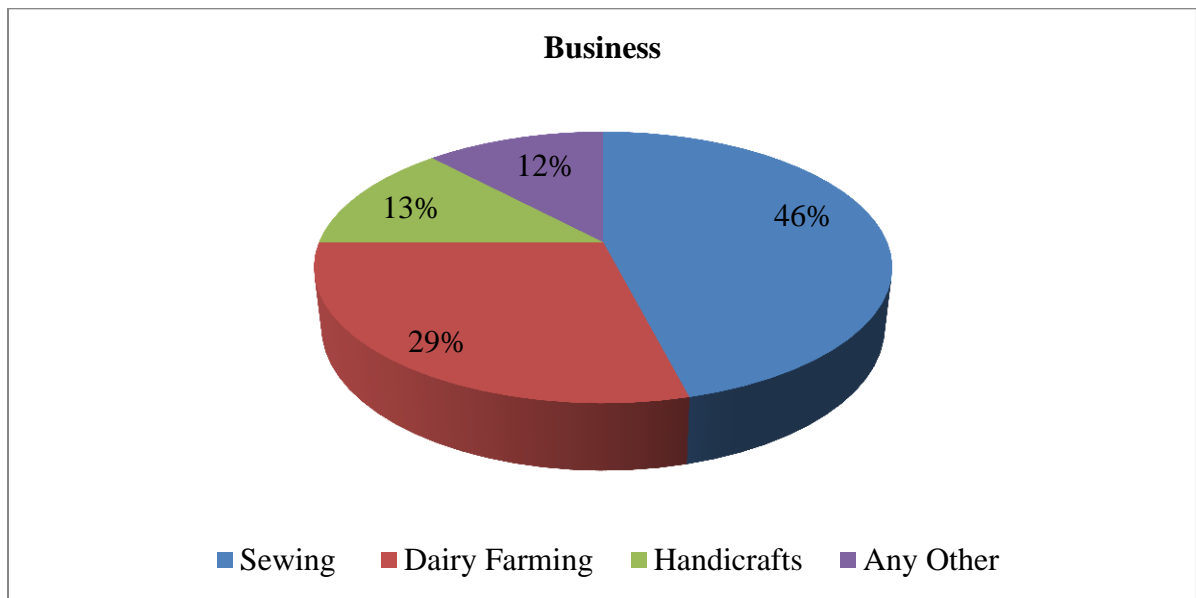


Table 1.9 shows that 46 percent of the member started sewing as a business opportunity to get the economic benefits. 29 percent started dairy farming and 12 percent beneficiaries started any other small business.

Table 1.10 Financial support from family members

Financial Help From Family Members	Percent
Never	15
Occasionally	72
Always	13

Fig. 1.16

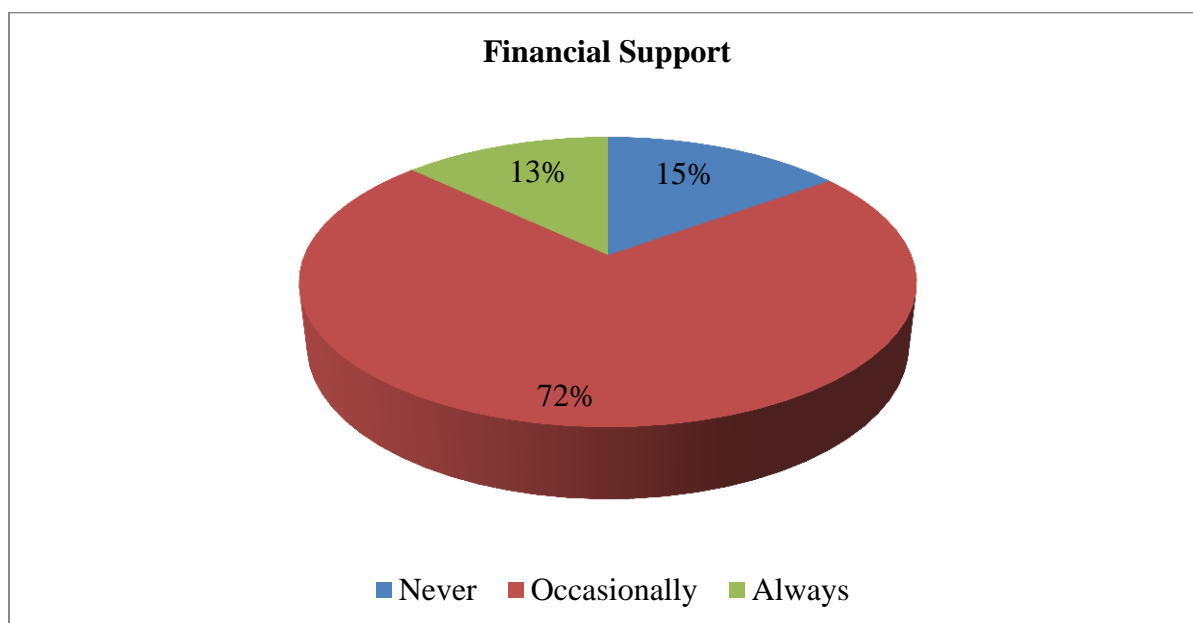


Table 1.10 evaluated that majority of the beneficiaries that is 72 percent agreed that they get financial help from their family members, 15 percent of the member said that they never get any support from their family members. (See Table 1.10 and Fig.1.16)

Table 1.11 Contribution to household income after becoming member of SHG

Contribution to Household Income	Percent
1000-2000	73
Upto 1000	12
No income	15

Fig. 1.17

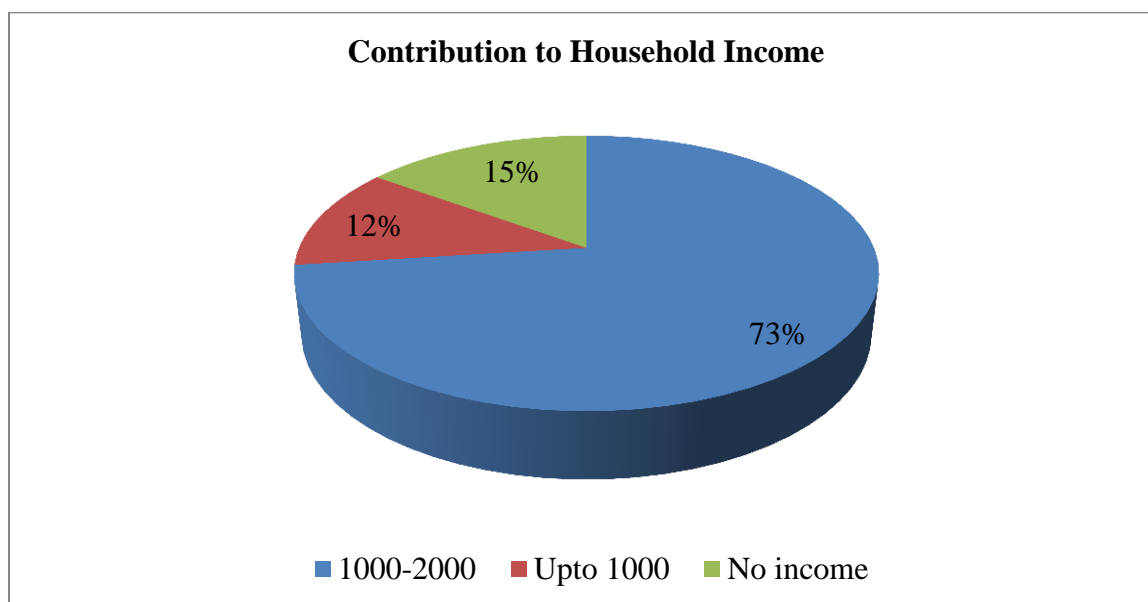


Table 1.11 shows that beneficiaries contribute to the household income after becoming member of SHG. As per the study 73 percent of beneficiaries contribute between 1000-2000 rupees per month. (See Table 1.11 and Fig.1.17)

Table 1.12 Purchase of Resources after becoming Member of SHG

Purchase of Resources	Percent
Cooking Gas	52
T.V	29
Mobile Phones	1
Two Wheeler	5
Others	5

Fig. 1.18

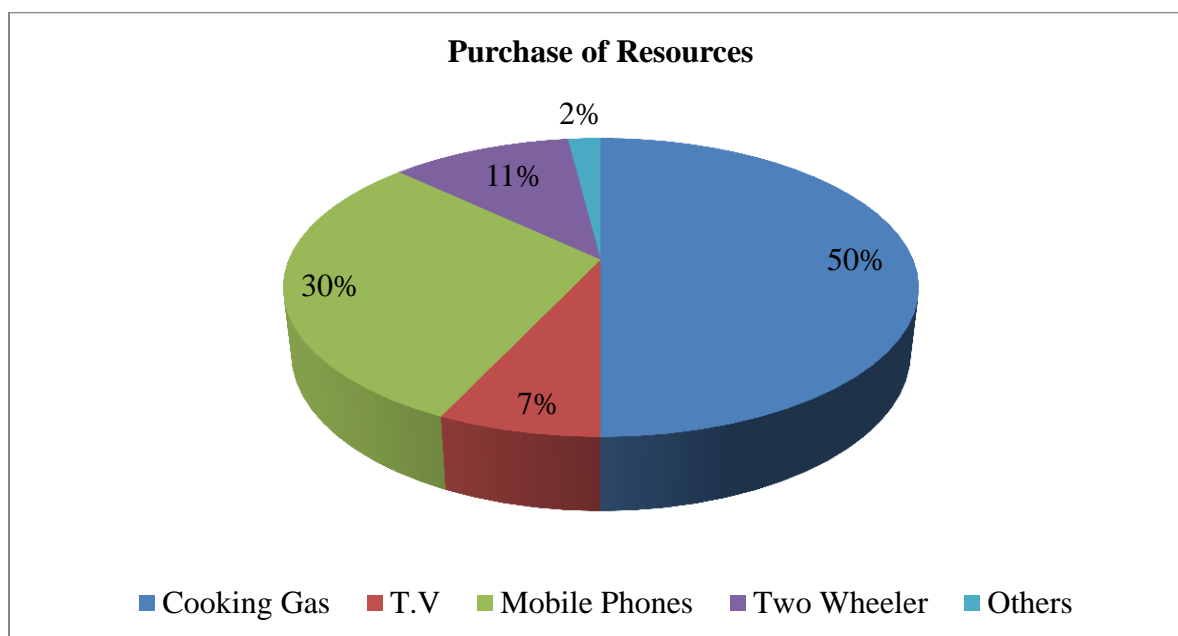


Table 1.12 shows that majority of the beneficiaries that is 50 percent have used the cooking gas after becoming member of SHG, 30 percent started using mobile phones 11 percent of them brought two wheelers and only 2 percent used other sources.

Table 1.13 Factors Motivated beneficiaries to start small business

Factors Motivated beneficiaries to start small business	Percent
Social Status	18
Subsidy Provisions	7
Access to Loans and Credits	31
Economic Benefits	44

Fig. 1.19

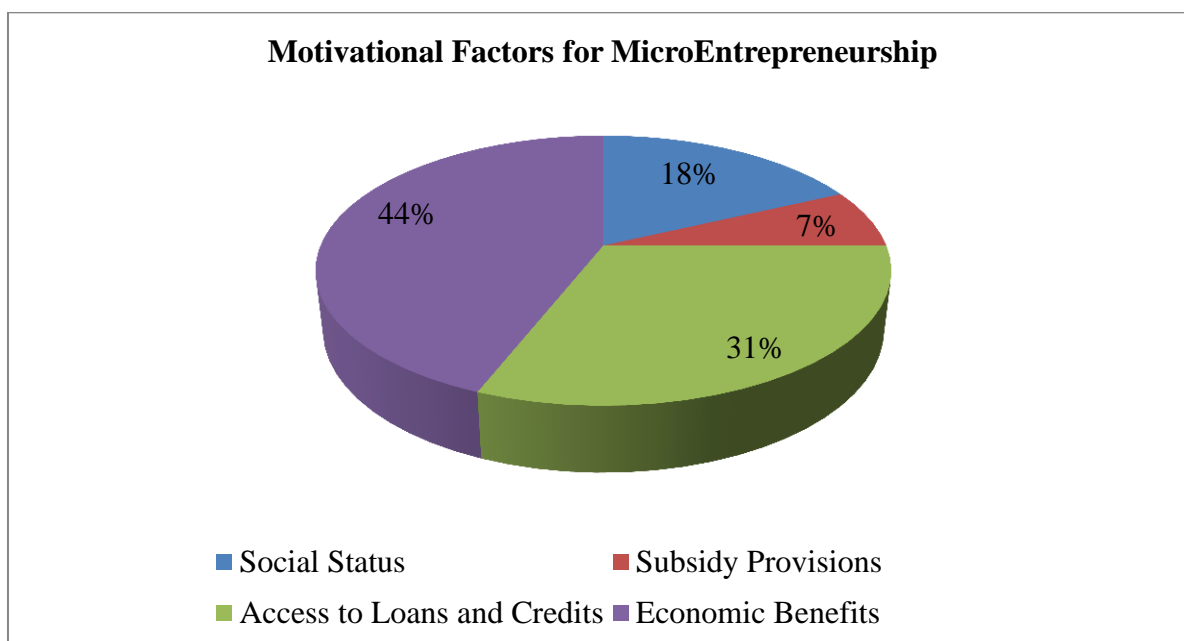


Table 1.13 evaluated that 44 percent of the beneficiaries said that they started the small business motivated by the factors of economic benefit from the business, 31 percent said that they are motivated by the access to loans and credits, and 18 percent motivated by the social factors.(See Table 1.13 and Fig.1.19)

Social Mobilization

Table 1.14 Able to go outside apart from the work of SHG

Able to go outside	Percent
Can not go Outside	25
Can Visit relatives Only	32
Can go Outside for additional Work	43

Fig.1.20

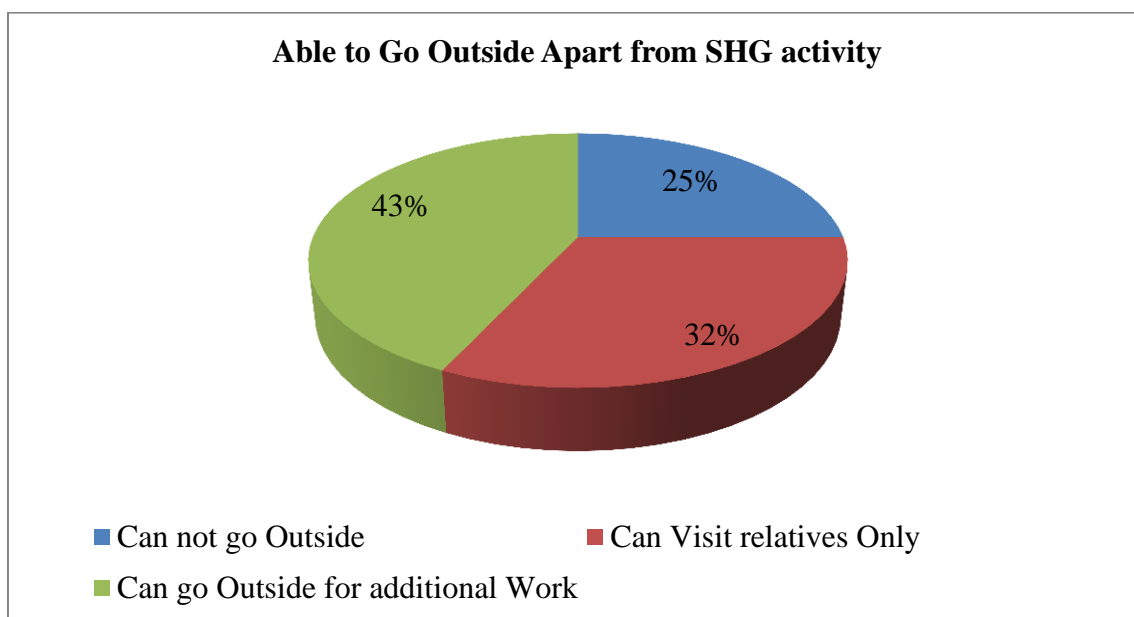


Table 1.14 shows that 43 percent of the beneficiaries are able to go outside without any restrictions, 32 percent can visit relatives only and 25 percent cannot go outside apart from the activity of SHG. (See Table 1.14 and Fig.1.20)

Table 1.15 Participation in Panchayati Raj Meeting

Participation In Panchayati Raj Meeting	Percent
Never	6
Occasionally	69
Regularly	25

Fig. 1.21

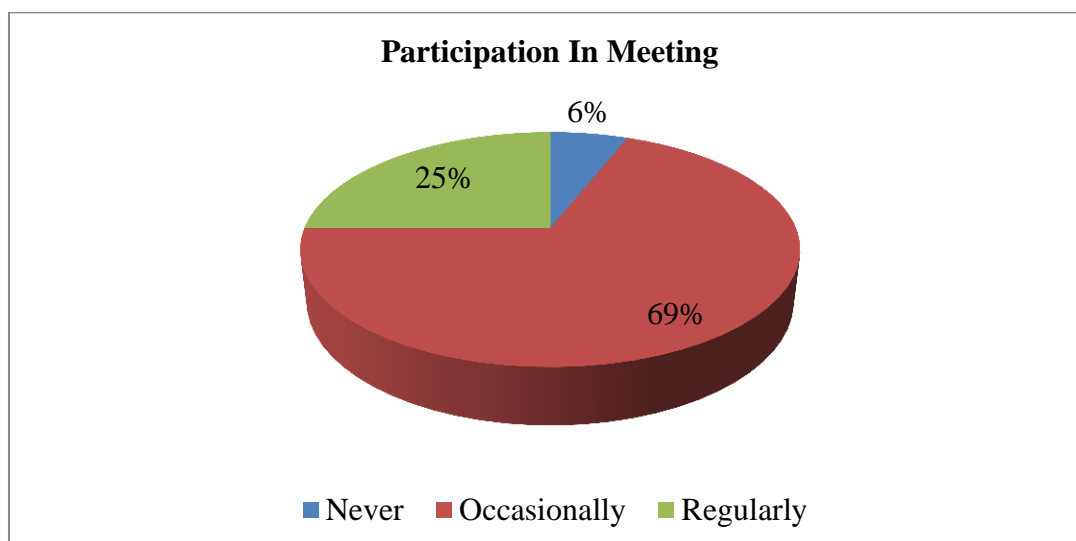


Table 1.15 shows that 69 percent of the beneficiaries are attending meeting of panchayats regularly, and 6 percent not attended meeting never. (See Table 1.15 and Fig.1.21)

Self Esteem

Table 1.16 Decision Making in the household activities after becoming member of SHG

Decision Making	Percent
To Educate the children	53
For medical Aids	26
To go Outside the house Without Any Restriction	21

Fig.1.22

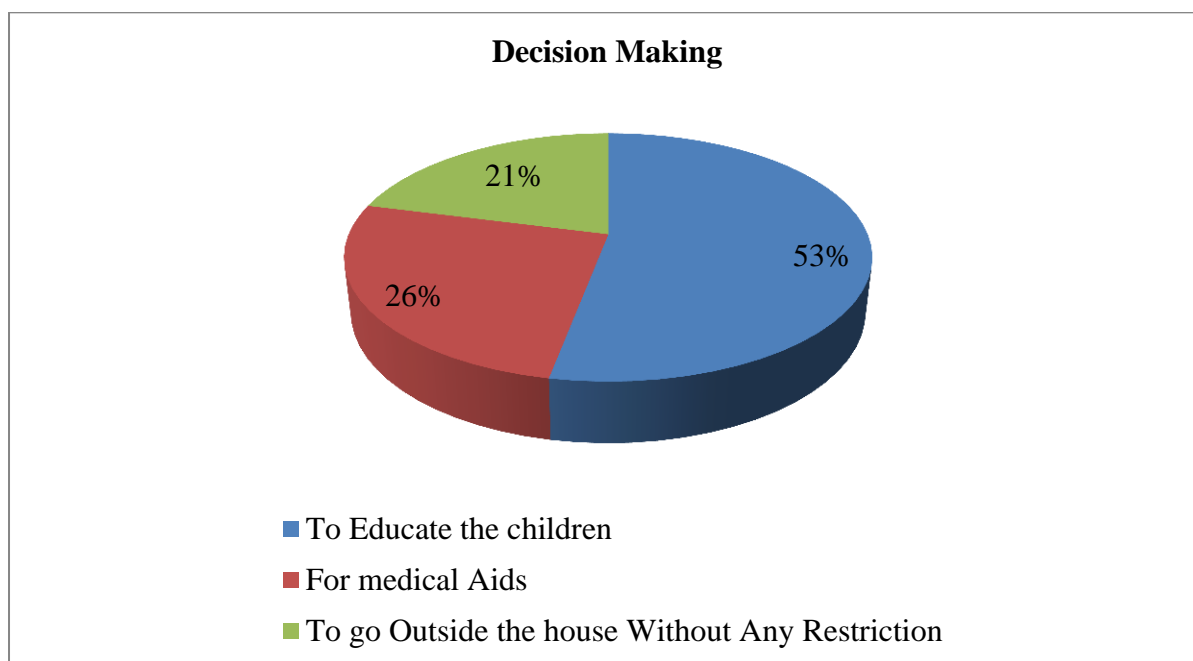


Table 1.16 shows that 53 percent beneficiaries educate their children in school of their choice. 26 percent make decision regarding their medical aids and 21 percent of the beneficiaries go outside the house without any restriction. (See Table 1.16 and Fig.1.22)

Table 1.17 Positive attitude to get knowledge on Financial and overall education

Positive Attitude to Get Knowledge	Percent
Never	12
Occasionally	20
Regularly	68

Fig. 1.23

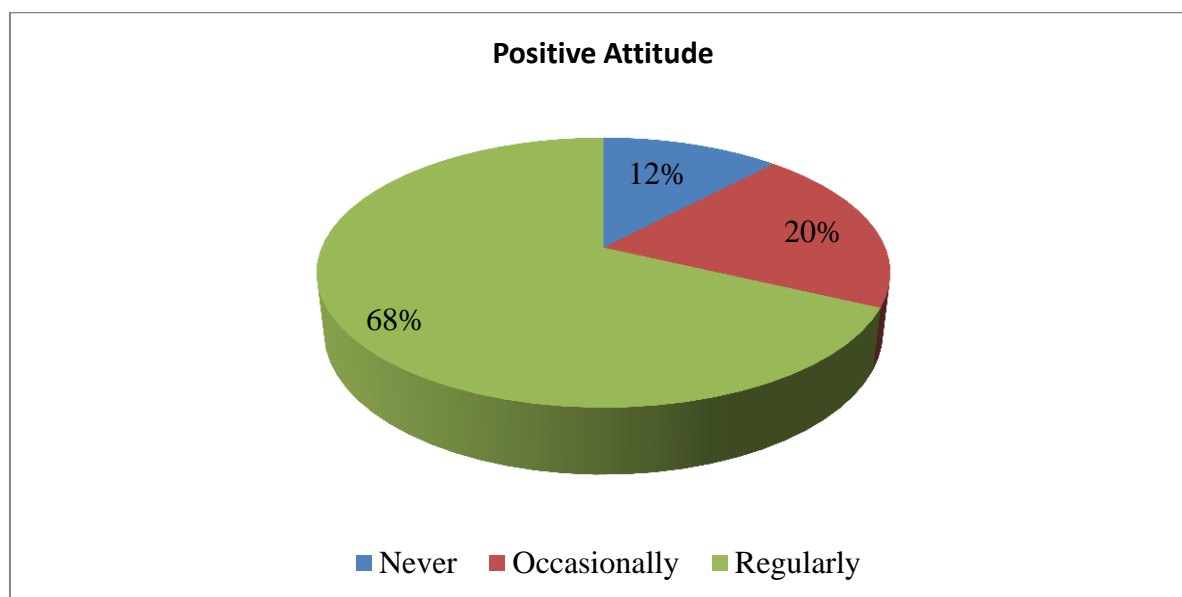


Table 1.17 reflects that 68 percent beneficiaries have positive attitude towards getting knowledge about financial transactions and other updated activities of the group only 12 percent beneficiaries are not able to get any updated knowledge. (See Table 1.17 and Fig. 1.23)

Findings

➤ Economic Empowerment of Women

1. Beneficiaries contribute to household income; members contribute between 1000-2000 rupees per month and make them economic independent. (Table 1.11)
2. Beneficiaries also started business like dairy farming, Sewing Centers; handicrafts etc.
3. Beneficiaries get empowered through their access to loans and credits which motivate them to start micro entrepreneurship. Majority of the beneficiaries are motivated by the economic benefit through SHGs. (Table 1.13)
4. After becoming member of SHG they start use of resources like cooking gas, mobile phones, two wheelers etc. Majority of the members started Use of mobile phones as

they get transaction information on phone. It helps them to use the Information and communication technology also. (Table 1.12)

➤ **Access to Banks**

1. Majority of the beneficiaries deposit their earnings in banks which helps the in credit accessibility. (Table 1.5)
2. Beneficiaries have some difficulty in understanding the banking operations and some are not even able to get the basic services of the banks due to financial illiteracy. (Table 1.6)
3. Majority of the beneficiaries maintain records of the financial transactions regularly. (Table 1.7)
4. Beneficiaries are not satisfied with the behaviour of bank officials as they are ignorant towards the problems faced by the members in understanding the banking services. (Table 1.8)

➤ **Improvement in Self Esteem**

1. Beneficiaries have positive attitude in getting the updated information about the activities and any other change in functioning of SHG. (Table 1.17)
2. Beneficiaries are self dependent after becoming member of SHG and members are visiting the markets more confidently to buy the goods.
3. SHG increases the beneficiary's ability of decision making to educate their children in the schools of their own choices, to get the proper medical aids and also for the dependent attitude to grow confidently in the society. (Table 1.16)

➤ **Social Mobilization through SHG**

1. Beneficiaries become able to go outside for additional work apart from SHG activities. (Table 1.14)
2. Majority of the member participate in panchayats meetings regarding the SHG activities. (Table 1.15)

Suggestions

- There is need of regulation for the framework of National Rural Livelihood Mission.
- There should be proper awareness programmes to avail the various component of the scheme provided by the government.
- More financial access should be there to increase employment and business opportunities and government should for increasing financial literacy in BPL families.
- Information and communication technology should offer the opportunity to improve financial inclusion for the unbanked people.
- There should be proper assistance from government to start small businesses at the grass root level for the livelihood of BPL families.
- There should be proper maintenance of the records about the finances, functioning of the scheme.
- There should be proper grievance redressal mechanism for the speedy disposal of the complaints of beneficiaries.

Conclusion and Policy Prescriptions

Poverty can be alleviated and eradicated when people realize their creative potential, come together and organize themselves based on self-help and community objectives. A channel

either from within the community or from outside is required for such a transformation. Maintenance of rural credit flows, microfinance innovations, the creation of rural infrastructure and bringing about financial inclusion, are some of the major tasks assigned to NRLM for upliftment in rural areas for sustainable development. NRLM generate a common interest and enhances the resource base of a rural economy and creates sustainable livelihood opportunities. The coming together of people's initiative and supportive policy framework create conditions favorable to the establishment of poor people's movement. The microfinance initiatives for enhancement of credit facilities to poor have paved the path for better livelihood to the women by getting loans through financial institutions. Control over resources measured the socio-economic factors of their sustainable development. Increase in loan repayment or the quality of micro credit project is a concern of the programme to access the impact of the programme at household level and community level as well. The policy implementation involve the minimum level of social and economic consistency for successful group functioning. The incentives for group formation have been the anticipated part of financial benefits. National Rural Livelihoods Mission (NRLM) enabled the poor to expand their skills for better livelihood promotion, social mobilization and to enhance sustainable development. Institutional platforms under NRLM enable the poor households to build-up their own human, social, financial and other resources.

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- * Dr Navreet, Assistant Professor, Department of Public Administration, Panjab University Chandigarh, Ms Manju Dalal, Research Scholar, Department of Public Administration, Panjab University Chandigarh, India
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