

Abstract

One of the critical responsible for widespread rural unemployment and poverty in the Haryana is inadequate access to the formal credit for the poor. In spite of the implementation of special poverty alleviation programmes such as the Integrated Rural Programme (IRDP), the credit access to the working poor did not improve remarkably. This impediment was sought to be addressed by recasting the IRDP and five other programmes into Swarnjayanti Gram Swarajgar Yojana (SGSY), which is designed to address the credit needs of rural poor in a more systematic manner. Organizing the rural poor, particularly women, into Self-help groups, encouraging them to pool their individual thrift and savings as common fund and utilizing the same to leverage institutional credit for consumption as well as productive investment, leading to the creation of sustainable livelihood and micro-enterprises was the central objective of the programme. In the package of development support proposed to be extended to the rural poor under the programme, credit was assigned a key role. Training, skill development, infrastructure development, access to technology and market were other components of this package. The quality of access to institutional credit to the poor was sought to be greatly improved through the removal of obstacles on both sides of credit supply and demand. The bankers' usual perception of the ultra poor as un-bankable was to be corrected through : (a) the encouragement of saving habit and financial discipline among the poor, (b) group lending to reduce the transaction costs in dealing with a large number of small borrowings, and (c) better monitoring of the individual borrowers' credit use and loan repayment through group dynamics. While these were expected to clear the supply side perceptual bottlenecks, the challenges on the demand side were sought to be removed through (a) systematic documentation of the individual borrowers' credit histories and (b) building their social and entrepreneurial capacities through training, skill and entrepreneurship development leading to the promotion of viable livelihood/micro-enterprises for the poor so that they could repay through small but larger number of installment out of the incremental incomes earned through enterprise. Central to both side of micro-credit intervention is an effective, hassle-free, customer-friendly SHG-bank linkage.

The present study is an attempt to examine the quantity and quality of self-help groups in Haryana state. The present study is an effort to know how many self-help groups have been formed in the Mahendergarh District of Haryana state as also to know whether they are functional and whether the swarajgaris have been benefited by the Yojana their level of income has increased there by bringing them above the poverty line.

The findings of the study: The Andhra Pradesh has ahead of the other state in the SHGs movement. The performance of the scheme in various state has not uniform, there are wide inter-state variations in terms of physical and financial performance of the scheme, in Haryana and Mahendergarh district has not been uniform of physical and financial performance of the scheme. 45% of the total respondents possess average level of awareness about the scheme. All the respondents stated that the meetings of their SHGs are held regularly, as all the respondents reported that the members actively participated in the

meeting of their respective SHGs and the decisions in the meeting are taken democratically. It was found that the records of the SHGs maintained and were updated. However, the records are not maintained in professional manner. 85.52% respondents claimed the training provided was not useful for carrying out the work, the DRDA officials even alleged that members of SHGs are not interested in getting training and do not turn up in the training programmes, 94.14% respondents denied having faced any problem in obtaining loan from banks, all respondents denied having received any assistance from the DRDA in marketing of their products. The DRDA officials refuted the claim of the SHGs members; they also held that District Marketing Supply Shops have been established at the district level for marketing of goods produced by SHGs. 90.47% SHGs members stated that officials of the DRDA do not monitor the activities of their SHGs after the formation of groups, DRDA officials claimed that they regularly visit the SHGs, monitor their activities periodically and sort out all their problem. A little over one-third of SHGs members in the district claimed that formation of their SHGs has helped in improving their economic condition. 95.98% SHGs in Mahendgarh district are engaged in dairy activity, DRDA officials stated that it is not the violation of the scheme and the choice of activity is the prerogative of the SHGs. Official of DRDA alleged that banks do not cooperate with them and do not provide credit to the self-help groups recommended by them. Bank managers contended that they face difficulty in recovery of loans in certain cases.

From the study it has emerged that Swarnjayanti Gram Swarozgar Yojana has been implemented as per the provision. Though it has benefited the Swarozgar as they have been given bank loans as also subsidies yet the main purpose of the scheme of **'creation of gainful employment for the swarogaries'** has not been served. This is because most of the self-help groups have not engaged in some economic activity rather they are found to have diverted the fund for their personal purpose. The DRDA officials in Mahendgarh district have been under pressure to form more and more self-help groups and in the eagerness to achieve the target provided to them they sacrifice the main provisions of the scheme. We could not achieve appreciable improvement in their economic standard. Successive development programmes proved to be **'Old wine in new bottles'** and could not have much effect on the target groups.

Measures may prove helpful in making the implementation of the scheme more purposeful and realistic: The DRDA official should visit the field regularly to monitor the activities of the self-help groups, official should not under pressure to form greater number of self-help groups, should be greater cooperation between the DRDA and the banks, DRDA should be made a guarantor of the self-help groups for extending bank credit to them, Backward and forward linkages should be adequately established.