

# Review of Microfinance Schemes in Haryana with focus on Mewat

**Archana Mehra**

*The North Cap University (formerly ITM Unviersity), Gurgaon*

**D. R. Aggarwal**

*The North Cap University (formerly ITM Unviersity), Gurgaon*

## Abstract

*Inspite of the fact that Haryana is a fast developing state of India, yet it is grappling with the problem of development of a backward district like Mewat (newly carved out district from Gurgaon and Faridabad). Since Microfinance is considered as one of the major tools of poverty alleviation, this paper describes the various microfinance schemes in Haryana with focus on Mewat. The Mewat Development Agency has been set up at the district level to overview and to monitor the progress of various schemes being implemented under the Mewat Development Board, set up by the Government of Haryana in 1980, as an extra effort of development apart from the normal plan schemes. The Mewat Development Agency is actively promoting Self-Help Groups (SHGs) through its Federation. Mewat has been severely lagging behind in terms of socio-economic parameters of development and the problem is further aggravated due to the rigid socio-cultural mindset of the area. Besides examining the various microfinance schemes in operation in Haryana, an attempt has also been made to highlight the shortcomings of the schemes.*

**Keywords:** *Mewat Development Agency, Microfinance Schemes, Self-Help Group, Self-help Group Bank Linkage programme (SBLP), Swaranjayanti Gram Swarozgar Yojana (SGSY).*

## INTRODUCTION

Haryana got its identity in the year 1966, when it was granted a full statehood and was carved out of Punjab. Since then it became a state having all potential and possibilities of all round development. The economy of the state grew at an excellent average annual growth rate of 8.5 percent during the period of last 9 years (2005-06 to 2013-14). Even in the year 2007, a very small proportion of population, 27.17% was found to be Below Poverty Line (BPL) and that too mainly concentrated in a particular pocket known as Mewat.

Within a short span, Haryana came on the national scene with per capita income more than national average. It has one of the highest per capita incomes of the country (in 2014-15, it had a per capita of Rs. 1.47 lakh while the national average was Rs. 87,748). Even though the per capita income (PCI) of the state has increased over the last few years primarily due to the high PCI of its districts, the ratio of per capita income between the rich and the poorest districts has increased from 3.7 in 2004-05 to 9.7 in 2011-12 (Govt. of Haryana, 2015). Mewat district had the lowest per capita income of Rs.

Journal of Technology  
Management for  
Growing Economies  
Vol. 7, No. 1  
April 2016  
pp. 27-54

**CHITKARA**   
UNIVERSITY

©2016 by Chitkara  
University. All Rights  
Reserved.

Mehra, A.  
Aggarwal, D. R.

45,934 in the state while that of Gurgaon at Rs. 4.46 lakhs was the highest in 2011-12. The ratio being approximately 10:1 catches the attention of all concerned policy makers and planners.

28

Development is invariably linked with poverty alleviation. The Haryana Government has been making a three pronged effort towards alleviation of poverty in the state, as shown in Figure 1 below. First relates to provision of basic services to improve the quality of life, second is to stimulate economic growth and third relates to government intervention in the form of targeted anti-poverty programmes. Microfinance plays an important role in the third category as it is being primarily used as a tool to alleviate poverty all over the world including India. Under Microfinance, The Self Help Group (SHG) model has gained prominence. In fact the Self-help Group Bank Linkage model in India run by NABARD is the largest in the world (from linking a pilot of 500 SHGs of rural poor two decades ago to 8 million groups upto 2013 (NABARD, 2016). The self help group model is being used by various departments in Haryana under their schemes.

Mewat is the focus here as it is the most rural and backward district in Haryana which has not kept pace with the overall development of the state, with the lowest per capita income in the state. Even though it has the largest number of SHGs under the microfinance programme in Haryana, it severely lags behind in terms of socio-economic parameters of development. In Mewat there is a SHG Federation at the district level which is the apex body under which block level federations are operating.



Figure 1 : Strategies to alleviate poverty by Haryana Government

## LITERATURE REVIEW

Reports indicate that microfinance programmes have definitely helped in elevating the status of women in Haryana's social structure to some extent. A study sponsored by the Ministry of women and child development on impact

of microfinance in reduction of domestic violence against women (Institute of Social Studies Trust, 2009), says that economic empowerment through microfinance did help in enhancing the social status of women in the family as well as in the society but it does not necessarily empower women to freely express their opinions.

Batra (2012), describes the self group movement in rural Haryana, which according to him is in early stages in Haryana and taking many shapes as different agencies promote microfinance with a variety of approaches and strategies. SGSY is leading the microfinance programme with high SHG numbers. He also touched on problem areas in SHG movement in the state with element of subsidy being the main attraction and main focus on quantity than quality.

Surender (2012), in his paper on assessment of economic development by self-help groups in Haryana claims that Microfinance through SHGs in Haryana has not really improved nor developed the economy of the state because loans given by the microfinance banks were utilised for areas that do not directly or indirectly affect the social and economic well being of the poor people of Haryana and do not contribute to their developmental status. So he concludes that the growth of microfinance in Haryana is not as fast as other states of India.

Panwar and Kumar (2012) focused on SHGs formed and nurtured by District Rural Development Agency (DRDA), Haryana in Karnal under Swaranjayanti Gram Swarozgar Yojana (SGSY). They found that SHGs increased family income, promoted savings habit among group members and reduced dependence of women on moneylenders who used to exploit them by charging heavy interest.

A study by Singh and Verma, 2013 towards evaluating the impact of term loan scheme of NMDFC on social and economic development of Mewat District in Agriculture and Allied, Technical Trade Small Business Artisan & Traditional Occupations Transport and Service Sector, finds that there is no significant effect of term loan and micro finance facility on economic and social development of minorities in Mewat District. Also there is very low awareness about the schemes among the people.

It is evident that microfinance and especially the SHG model have the capacity to generate positive results. It was felt that a comprehensive review of the main microfinance schemes in operation in Haryana and Mewat will shed light on their current status and help in identifying reasons for non-achievement of desired results.

## **OBJECTIVES**

Considering the emphasis on microfinance in Haryana as a tool towards poverty alleviation, rural development and economic empowerment of women, the following objectives have been identified for the purpose of this study:

- a) To review the main microfinance schemes in operation in Haryana and Mewat
- b) To identify the main shortcomings of the schemes.

## **RESEARCH METHODOLOGY**

Since the objectives of this paper are qualitative in nature, this is a descriptive research paper based on secondary data. Data has been sourced from reports of various government agencies and departments like NABARD, Ministry of Rural Development etc., for a review of the main microfinance schemes in operation in Haryana followed by a review of the current schemes in operation in Mewat. This is followed by an analysis carried out logically on the basis of descriptive statistic tools.

### **Microfinance Schemes in Haryana**

In Haryana, microfinance projects and schemes have been initiated by both government and non government organizations for the promotion of Self Help Groups (SHGs) by various agencies and departments. For example, Swarnjayanti Gram Swarozgar Yojana (SGSY)/National Rural Livelihood Mission (NRLM) by District Rural Development Agency (DRDA), SHG-Bank Linkage Programme (SBLP) of National Bank for Agriculture and Rural Development (NABARD), PAGE and Swayamsiddha by Women and Child Development Department (WCDD), Swa-Shakti by WAMA, SCRIA through Samridhi programme and International Fund for Agriculture Development (IFAD) Project and National Minorities Development Finance Corporation (NMDFC) scheme by Mewat Development Agency (MDA). Besides, some banks are also involved in the promotion of SHGs to alleviate poverty in the state.

Although a number of initiatives have been taken, yet the penetration of microfinance in Haryana is very less in comparison to other states, perhaps because of the fact that it is considered as one of the developed states in India. The relative position of microfinance in Haryana is given in Table I below. It is evident that the share of microfinance in Haryana is not even one percent of that in the whole country in terms of number of SHGs, Savings amount and loans disbursed. Bank loans outstanding against SHGs are 4.40% against the loans disbursed to the tune of only 0.15%.

Table 1 : Relative Position of Microfinance in Haryana as on March 31, 2015  
(Rs. In crore)

	No. of SHGs	Savings Amount	Loan disbursed	Bank loans outstanding against SHGs
India	7697469.00	11059.84	27582.31	5145.46
Haryana	41653.00	36.51	40.60	226.41
Share of Haryana (%)	0.54%	0.33	0.15%	4.40%

31

Source : Status of Microfinance 2014-15, Table 3.1, Page 7, NABARD

The main schemes are as shown in Table 2 below:

Table 2 : Main Microfinance Schemes and associated Departments and Agencies

S. No.	Scheme	Department
1	Swaran Jayanti Gram Swarozgar Yojana (SGSY) / National Rural Livelihood Mission (NRLM)	District Rural Development Agency (DRDA)
2	Swaran Jayanti Shahari Rozgar Yojana (SJSRY)	
3	Integrated Women's Empowerment and Development Project (IWEDP)	Women and Child Development Department
4	Programme for Advancement of Gender Equity (PAGE)	
5	Swayamsiddha (earlier known as Indira Mahila Yojana (IMY))	
6	Swa-Shakti Project	Haryana Women's Development Corporation (HWDC)
7	Loaning Scheme for Women	
8	SHG Bank Linkage Programme (SBLP)	National Bank for Agriculture and Rural Development (NABARD)
9	Samridhi Programme	Social Centre for Rural Initiative and Advancement (SCRIA)
10	IFAD (International Fund for Agriculture Development)	Mewat Development Agency (MDA)
11	NMDFC (National Minorities Development Finance Corporation)	

---

**I. Programs by District Rural Development Agency (DRDA)  
Swaranjayanti Gram Swarozgar Yojana (SGSY)/National Rural Livelihood Mission (NRLM)**

It is an on-going programme, launched in 01.04.1999 after restructuring and merging the erstwhile Integrated Rural Development Programme (IRDP) and its allied programmes, namely Training of Rural Youth for Self Employment (TRYSEM), Development of Women and Children in Rural Areas (DWCRA), Supply of Toolkits in Rural Areas (SITRA) and Ganga Kalyan Yojana (GKY), besides Million Wells Scheme (MWS). The preceding IRDP and its allied programmes gave ineffective results. Hence a need was felt for a single self employment programme based on group approach. The report of a committee set up by The Planning Commission under the chairmanship of Prof. S R Hashim in 1997, formed the basis of shifting from an individual beneficiary approach to a group-based approach for poverty alleviation.

Objective : A self-employment programme of Ministry of Rural Development that aims at providing assistance to the BPL (Below poverty line) families for establishing micro-enterprises through bank credit and government subsidy to acquire an income-generating asset. SGSY covered aspects of self employment such as organization of the poor into self help groups, training, credit, technology, infrastructure and marketing. In India, SGSY was converted into NRLM in the year of 2011 and in Haryana & Mewat district in 2013. Subsequently it was renamed as Aajeevika.

Aajeevika is to be implemented in a phased manner, from the year 2012-13, over 5 years in the state. In the 1<sup>st</sup> phase, 12 blocks were selected, three blocks each from Kaithal, Mewat, Bhiwani and Jhajjar. In Mewat the blocks chosen are Nagina, Nuh and Tauru. In 2014-15, 5 new districts (Panchkula, Karnal, Rohtak, Hisar and Fatehbad) have been included and 10 blocks have been selected in these districts. From the year 2015-16, the scheme will be implemented in all the districts except Sirsa and Panipat. (Directorate of Rural Development, Haryana, 2015).

The main objective is to bring every assisted family above the poverty line within 3 years. This scheme lays stress on cluster approach. The target group under this scheme consists of small and marginal farmers, rural artisans, agricultural and non-agricultural labourers etc. living below the poverty line. NRLM is to be implemented by “The Haryana State Rural Livelihoods Mission”, A State Society set up for this purpose.

The notable shifts under NRLM, vis-a-vis SGSY, are:

1. Allocation based strategy to a demand driven strategy.
2. Professional support structure from the State level to the sub-district level.
3. Federations at all levels and one time grant of Rs. 10,000/- at panchayat level, Rs. 20,000 at block level and Rs. 1,00,000 at district level to be provided.
4. Subsidy to be enhanced as shown in the following table :

33

Table 3 : Subsidy Enhancement Under NRLM

	From (Rs.)	To (Rs.)
For General Category	7,500	15,000
For SC Beneficiary	10,000	20,000
For Self Help Group	1,25,000	2,50,000
Revolving Fund	10,000	15,000

Source: Rural Development Department, Haryana, 2015

5. Interest subsidy above 7% rate of interest.

### Progress

The total number of SHGs formed in Haryana under SGSY has increased since its inception but later after the year of 2009, it started decreasing. Initially, only 712 SHGs were formed while now upto March 2015, about 2166 new Self Help Groups (SHGs) of poor families have been formed. 1407 number of SHGs have been provided Revolving funds@ of Rs. 15,000/- per SHG and an amount of Rs. 17.33 crore has been spent so far (2014-2015) (Source: The manual under clause 4(1) (b) of the Right to Information Bill for Rural Development Department issued by Directorate of Rural Development, Haryana, Page 6, 2015)

Analysis of Table 4 shows an irregular pattern in the growth of SHGS. The number of SHGs increased from 1999 to 2002 by 156% (from 712 to 1820) after which there was a consistent decline upto 2005. In 2005-06 there was a spectacular increase of 134% with 2303 number of SHGs being formed. This was again followed by a decline of -31% in 2006-07 followed by an increase in both 2007-08 and 2008-09. The highest number of SHGs, 4506, were formed in 2008-2009. After that the number has been decreasing every year at a decreasing rate.

Table 4 : Number of SHGs formed under SGSY in Haryana in numbers  
1999-2013

Year	No. of SHGs	%age change over previous year
1999-00	712	0
2000-01	1393	96%
2001-02	1820	31%
2002-03	1530	-16%
2003-04	1484	-3%
2004-05	985	-34%
2005-06	2303	134%
2006-07	1598	-31%
2007-08	2261	41%
2008-09	4506	99%
2009-10	3678	-18%
2010-11	2999	-18%
2011-12	2634	-12%
2012-13	2487	-6%

Source : Collected from Annual Reports of the Ministry of Rural Development, Govt. of India

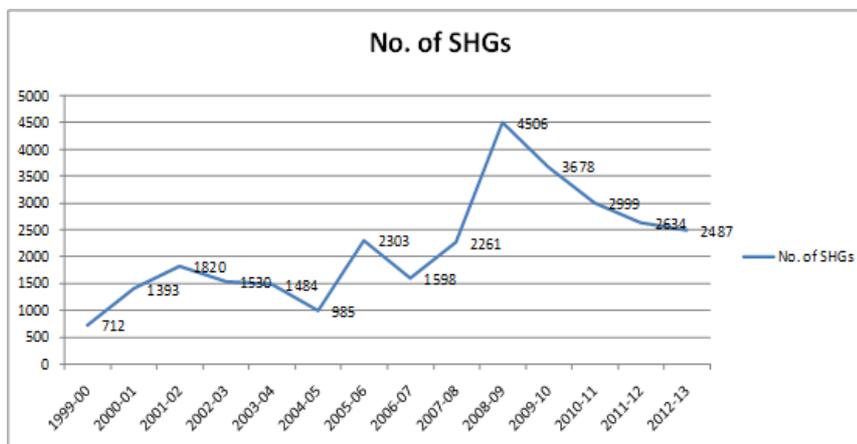


Figure 2 : Number of SHGS under SGSY in Hayana

The above figure shows the fluctuations in the number of SHGs formed from 1999 to 2013.

Table 5 : The SHG Credit Target and Achievement (2014-15) under Aajeevika/NRLM

(Amount in Rs. Crore)

S. No.	States & UTs	Target		Achievement		Achievement (%)	
		Total SHGs	Total Loan Amount	Total SHGs	Total Loan Amount	Total SHGs	Total Loan Amount
1	Andra Pradesh	281438.00	9214.00	181311.00	5796.04	64%	63%
2	Tamilnadu	300000.00	6000.00	147441.11	3835.34	49%	64%
3	Telangana	184887.00	5373.00	122430.00	3550.47	66%	66%
4	Karnataka	225000.00	2925.00	198485.00	3514.89	88%	120%
5	Gujarat	17800.00	132.00	14861.00	140.73	83%	107%
6	Madhya Pradesh	35000.00	500.00	12785.00	121.05	37%	24%
7	Uttar Pradesh	2000.00	10.00	5278.00	86.01	264%	860%
8	Assam	59000.00	35.00	8828.00	79.19	15%	23%
9	Jharkhand	35000.00	200.00	3144.00	34.43	9%	17%
10	Haryana	7500.00	45.00	919.00	10.41	12%	23%
11	Jammu & Kashmir	4000.00	20.00	1600.00	9.34	40%	47%
12	Punjab	4000.00	20.00	313.00	4.87	8%	24%
13	Tripura	1500.00	7.50	816.00	4.22	54%	56%
14	Manipur	1000.00	5.00	84.00	0.79	8%	16%
15	Mizoram	1500.00	7.50	4.00	0.09	0%	1%
	ALL INDIA	16,92,825	28851.80	1,039,835	21396.81	61%	74%

Source : [rural.nic.in/netrural/rural/sites/.../PRC\\_Presentation\\_2015\\_NRLM](http://rural.nic.in/netrural/rural/sites/.../PRC_Presentation_2015_NRLM) (8<sup>th</sup> July, 2015)

As is evident from table 5 above, Haryana's achieved only 12% of its target in terms of total SHGs targeted and 23% in terms of total loan amount targeted in 2014-2015. This was much less than the southern states of Karnataka, Andhra Pradesh, Telangana whose achievement rates were more than 60% both in terms of total SHGs and total loan amount. Even Tripura in the north-

Mehra, A.  
Aggarwal, D. R.

east surpassed Haryana with achievement rates of 54% and 56% in terms of total SHGs and total loan amount respectively. The figures also highlight the unequal penetration and concentration of microfinance in the country (south India having the maximum share). Large variations in the data set confirm this point.

36

Table 6 : SHG Credit Target (2015-16)

(Amount in Rs. Crore)

S. No.	States & UTs	Target	
		Total SHGs	Total Loan Amount
1	Andhra Pradesh	280000	9770
2	Telangana	188000	6150
3	Tamilnadu	150000	4420
4	Karnataka	176000	4310
5	Madhya Pradesh	35000	300
6	Gujarat	17100	140
7	Uttar Pradesh	8000	140
8	Jharkhand	3600	40
9	Haryana	1100	20
10	J&K	1800	9
11	Punjab	500	6
12	Assam	10200	100
13	Tripura	600	3.5
14	Mizoram	300	1.5
15	Manipura	100	0.5
	ALL INDIA	1166620	29872

Source : [rural.nic.in/netrural/rural/sites/.../PRC\\_Presentation\\_2015\\_NRLM](http://rural.nic.in/netrural/rural/sites/.../PRC_Presentation_2015_NRLM) (8<sup>th</sup> July, 2015)

The SHG credit target, 2015-16 for Haryana in terms of total SHGs is only 1100 out of all India total of 1166620, a measly 0.09% and Rs. 20 crores as loan amount out of all India total of 29872 crores, 0.067%. Comparatively, the same figures for Andhra Pradesh are 24% and 33% respectively. Non-utilisation of full funds in previous year may be one reason that the target for the current year has been kept low for the state. The total fund available (T.A.F) under NRLM in 2014-15 for Haryana was Rs. 19.33 crores, out of which only Rs. 17.33 crore was the expenditure, implying utilisation of 89.65% (percentage of expenditure wrt T.A.F).. Release of first instalment of 2015-16 for Haryana under SGSY is under process.

---

## SWARAN JAYANTI SHAHARI ROZGAR YOJANA (SJSRY)

Review of  
Microfinance  
Schemes

---

This scheme was launched by Government of India on 01.12.1997 after subsuming the earlier three schemes for urban poverty alleviation, namely Nehru Rozgar Yojana (NRY), Urban Basic Services for the Poor (UBSP), and Prime Minister's Integrated Urban Poverty Eradication Programme (PMIUPEP).

The scheme has been revamped w.e.f. 1.4.2009. The scheme is funded in the ratio of 75:25 by the Govt. of India and State Government. The Government of India has recently announced new poverty alleviation scheme namely National Urban Livelihood Mission (NULM) which would replace the ongoing scheme of SJSRY.

37

Objective: The key objective of the Scheme was to provide gainful employment to the urban unemployed or underemployed through the setting up of self-employment ventures or provision of salaried employment. This scheme is implemented through State Urban Development Society, Haryana.

As per revised guidelines, the subsidy has been enhanced from Rs. 7,500 to Rs. 50,000 for individuals and from Rs. 1, 25,000 to Rs. 3,00,000 for Urban Women Self Help Groups and Revolving funds @ 2,000 per member subject to maximum limit of Rs. 25,000 per Thrift & Credit Society. The cost of training has also been enhanced from Rs. 2,000 to Rs.10,000 per trainee. An amount of Rs. 1,935.59 lakh of previous year 2012-13 was available with districts. Up to December, 2013, by utilizing Rs. 1,163.93 lakh, loan & subsidy to 1,000 individuals and 34 UWSHG have been provided, 18,114 persons trained and 3,193 persons are under training, 52 Thrift & Credit Societies are assisted and 0.02 lakh man days are generated. There is provision of Rs. 452 lakh of State share of SJSRY in current financial year, out of which Rs. 145 lakh is earmarked for the welfare of Scheduled Caste (Economic Survey of Haryana, 2014-15, page 111).

## II. Programs by Women and Child Development Department (WCDD)

### Integrated Women's Empowerment and Development Project (IWEDP)

Objective: First project under WCDD named as Integrated Women's Empowerment and Development Project (IWEDP) was started in District Mahendergarh in July 1994. The objective of the IWEDP was to create an enabling social environment by improving the status of women and the community.

Outcome - A total of 867 women's groups, called Jagriti Mandalies (JMs) were formed under this programme. The Project area in the second phase (w.e.f. January, 1999) was extended to include the whole district of Rewari.

---

Mehra, A. Under IWEDP, the Project progressed through three phases as indicated below:  
Aggarwal, D. R.

Phase – I - July, 1994 to December, 1998

Phase – II - Jan, 1999 to December, 2002

Final Phase - Jan, 2003 to June, 2003

---

38

### **Programme for Advancement of Gender Equity (PAGE)**

Objective: Secondly, **PAGE** was initiated in District Rewari in July 2003. The main objective of the Project was to consolidate the Project outcomes of the past eight years and build capacities of the district machinery to continue supporting the Jagriti Mandalies (JMs).

Sustainability of the JMs was the main aim through integration of social and economic processes and convergence with government schemes. The first step in this direction was to transform the JMs into SHGs.

The JMs cum SHGs were expected to work as vehicles to further strengthen the social mobilization process through improved access to resources and demand-driven convergence of government services. Along with the task of community mobilization and social issues, the SHGs received skills on selected income generation activities to enable them to supplement their family incomes and eventually become economically independent.

New initiatives like Quality of Care (QOC), Community Needs Assessment (CNA) and Community Based Distribution of Contraceptives (CBDC) were taken by the State Government to strengthen health linkages and integrate the social mobilization processes with the health system to make the system respond to the demands of the community. Towards this efforts were made to develop a cost effective model based on project experiences and lessons learnt for possible replication in other areas. This was the contribution of the project at the policy level. A total of 253 SHGs were nurtured by the Project in district Rewari.

### **Swayamsiddha (earlier known as Indira Mahila Yojna (IMY))**

Thirdly, Indira Mahila Yojna (**IMY**) was recast into an IWEP and renamed as Swayamsiddha. IMY was originally implemented in 8 IMY blocks. Later on it added 5 more blocks under Swayamsiddha. Swayamsiddha (launched in 2001) is the flagship programme of Ministry of Women and Child Development for holistic empowerment of women through SHGs. The scheme is being implemented in six districts of which thirteen blocks have been sanctioned in Haryana (Not implemented in Mewat in phase I).

Phase-I of the Scheme ended on 31.3.2008. This Ministry launched Swayamsiddha Phase-II during 2008-09. Under Swayamsiddha Phase-II, this

Ministry covered all districts/blocks in the country.

As shown in Table 7, under the scheme a total of 1,300 SHGs have been formed in 668 villages covering 17,833 members. The accumulated saving of the SHGs is Rs. 526.48 lakh and all these groups are conducting inter loaning which is to tune of Rs 442.24 lakh and all of them have also opened bank accounts out of which, 603 groups have even availed Bank loans. SHG women of 1279 groups are doing Income Generating Activities such as Food preservation, Dairy Farming, Vermin Compost, Tie and Dye, Cutting and Tailoring, Embroidery, Kitchen gardening, Beautician, Dari making, Gur patti making and Petty shops etc. The Swayamsiddha Scheme has culminated from March, 2008.

Encouraged by the performance of the scheme, the Ministry is actively considering universalization of the Swayamsiddha Programme.

Table 7 : Progress of Swayamsiddha

Description	Cumulative Progress upto 30.06.2007
No. of surviving IMY SHGs	354
New SHGs formed	946
Total SHGs	1300
No. of villages covered	668
No. of SHGs members	17833
No. of SHGs dong Savings	13
Amount saved (in Rs.)	45495032
No. of SHGs doing inter-loaning	1300
Amount Loaned (in Rs.)	41886161
No. of members received loan	26160
No. of SHG having bank accounts	1300
Amount deposited in banks (in Rs.)	27002170
No. of SHGs availing loans from banks/ others sources	577
Amount of loan from banks (in Rs.)	17964797
No. of loan beneficiaries	5851
No. of SHGs doing IGAs	1242
No. of SHG members dong IGAs	9463

Source : Department of Women and Child Development, Government of Haryana  
[http://www.wcdhry.gov.in/SWAYAMSIDDHA\\_F.htm](http://www.wcdhry.gov.in/SWAYAMSIDDHA_F.htm)

### **III. Haryana Women's Development Corporation (HWDC) Swa-Shakti Project**

Objective : HWDC was started in 1982 as Haryana Economically Weaker Sections Kalyan Nigam Ltd. In 1987, a women wing was set up which was renamed as Haryana Women and Weaker Sections Kalyan Nigam (HWWSKN). In 1991, Nigam was converted into Women Development Corporation (WDC) which was renamed as Haryana Women Development Corporation Limited (HWDC). Under this, the Rural Women's Development & Empowerment (Swa-Shakti) Project was implemented in the State by the Women's Development Council, assisted by the World Bank, International Fund for Agriculture Development (IFAD) and Government of India.

Outcome - The Project was undertaken in three districts covering 23 development blocks and 643 villages. A total of 1,550 SHGs were formed, with the membership of 22,009 women.

#### **Loaning Scheme now replaced by Micro Credit Scheme for Women**

Objective : The HWDC implemented a loaning scheme for women to set up their own enterprises which has been discontinued w.e.f. July 2008 and introduced a new scheme namely Micro Credit Scheme under which Haryana Women's Development Corporation (HWDC) gets loan from Rashtriya Mahila Kosh (RMK) at the rate of eight per cent interest per annum. The Corporation gives loan to SHGs and the individual members at the rate of 5% per annum and the balance 3 per cent is to be provided by the Corporation. In another scheme, the State Government has set up Sanitary Napkin Units through Sakshar Mahila Samoohs/Women's Self Help Groups in all the districts through Haryana Women's Development Corporation.

Outcome - There were a total of 35289 cases undertaken under this scheme from 2000-01 to 2007-08. The number of cases increased consistently upto 2006-07 (10332 ) after which there was a 41% decline (6091) in 2007-08. The total loan amount was Rs. 11158.63 lakh out of which bank loan was Rs. 8583.04 lakh in 2007-08. Under the new scheme, the increase in the number of cases during 2008-13 was not as high as during 2000-08. The number of cases in 2012-13 were only 763 as opposed to 6091 in 2007-08.

Table 8 : Progress under the Loaning Scheme of HWDC (in lakh)

Year	No. of Cases	Subsidy	Margin Money	Beneficiary Share	Bank Loan	Total Loan
2000-01	881	20.12	27.01	24.19	146.04	217.36
2001-02	1634	43.14	0.38	62.65	316.05	422.22
2002-03	2010	53.55	0.96	51.92	439.34	545.77
2003-04	2021	50.11	18.14	51.36	461.16	580.77
2004-05	3808	98.08	52.28	98.46	938.48	1187.3
2005-06	8642	236.67	203.33	242.49	1921.05	2603.54
2006-07	10332	306	206.26	308.84	2710.23	3531.33
2007-08	6091	190.04	26.18	190.5	1601.17	2007.89
2008-09	534	0.00	112.50	0.00	0.00	112.50
2009-10	315	0.00	63.90	0.00	0.00	63.90
2010-11	601	27.29	0.00	28.22	226.85	282.36
2011-12	1125	49.98	0.00	51.89	428.35	530.22
2012-13	763	34.85	0.00	34.94	279.56	349.35
Grand Total	38757	1109.83	710.94	1145.46	9468.28	12434.51

Source: <http://www.wcdhry.gov.in>

Under the Micro Credit scheme, financial assistance of Rs. 57.75 lakh was provided to 24 SHGs up to December 2008, against a target of covering 40 SHGs.

#### IV. NABARD's SHG-Bank Linkage Programme (SBLP) in Haryana

In the state of Haryana, the SHG- Bank linkage programme started in 1997-98. Since then the number of SHGs linked to the banks have increased considerably.

An analysis of distribution of SHGs across districts in Haryana reveals that the southern part of the State comprising Gurgaon, Mewat, Rewari and Mahendergarh districts has larger share of SHGs. Gurgaon district (including Mewat) has the maximum number of SHGs in Haryana.

**Table 9 : Progress of SHGs in Haryana State**

(Figs in Rs. Crores)

Year	No. of SHGs	Savings Amount	Loan Dis-bursed	Bank loans outstanding against SHGs	Amount of Gross NPAs	NPA as Percentage
2007-08	23570.00	13.65	26.14	107.42	2.03	0.02
2008-09	33257.00	25.48	63.84	124.14	4.47	0.04
2009-10	36762.00	107.63	46.70	155.07	7.84	0.05
2010-11	35319.00	99.20	62.43	198.27	7.83	0.04
2011-12	44184.00	36.78	61.96	205.75	12.92	0.06
2012-13	42580.00	40.31	51.60	264.00	15.47	0.06
2013-14	43029.00	45.39	30.61	240.26	38.07	0.16
2014-15	41653.00	36.51	40.60	226.41	37.24	0.16

Source : Collected from NABARD Reports on Microfinance in India in various years

The above table shows that the number of SHGs decreased from 2009-10 to 2010-11 by 4%, then increased by 25% in 2011-12 and then again decreased by 4% in 2012-13. Thereafter it increased by 1% by 2013-14 and then decreased by 3% in 2014-15. Hence there is no consistent pattern or behaviour in the number of SHGs formed year after year.

It is clear from the table that saving amount fell from 2009-10 to 2011-12 and then increased upto 2013-14 and then fell by 3% in 2014-15. Loan disbursed also fluctuated over the years.

However, bank loans outstanding against SHGs consistently increased from 2007-08 to 2012-13 after which they decreased in both 2013-14 and 2014-15 (this was because loan disbursal also fell in both these years compared to previous years). Except for a very small dip from 2009-10 to 2010-11 by 0.01 crores (from 7.84 to 7.83 cr), the Amount of Gross NPAs for bank loans to SHGs consistently increased till 2014-15.

SBLP is promoted and financed by government organizations and NGOs. Commercial banks, cooperative banks and RRBs all are helping in promoting the SBLP in the state.

As on March 2015, total amount of Rs. 1362.86 lakh were disbursed as loan to 979 SHGs by Public sector commercial banks. Out of the total amount, Rs. 1029.26 lakh were disbursed to 706 women SHGs. The Private sector commercial banks disbursed 2057.83 lakhs only to 866 exclusive women SHGs. (No loans were disbursed to any other SHGs by the private commercial banks under NRLM/SGSY scheme). RRBs (Haryana Gramin Bank) disbursed total amount of Rs. 497 lakh to 454 SHGs and Rs. 142.34 lakh were disbursed to 224 SHGs by Coopera-

tive banks. Out of the total amount, Rs. 439 lakh were disbursed to 418 women SHGs by RRBs and Rs. 125.84 lakh were disbursed to 209 women SHGs by Cooperative banks.

Table 10 given below shows that the share of Public Commercial Banks has decreased over the last three years from 2012-13 to 2014-15 in terms of number of SHGs and amount of loan disbursed. The private commercial banks show a positive change in their stance – from zero disbursals in 2012-13 to 866 SHGs in 2014-15 and 2057.83 worth of loans to exclusive women SHGs. The share of RRBs has decreased by more than 70% over the last three years. The share of Co-operative Banks declined from 2012-13 to 2013-14 but increased from 2013-14 to 2014-15. Overall the share of Public Commercial Banks and RRBs is showing a decline.

Table 10 : SHG-Bank Linkage Agency Wise Position in Haryana (2013-2015)

(Rs. Lakhs)

		No. of SHGs	Total Loans disbursed	Exclusive Women SHGs	Out of Total Loans –Loans disbursed to Exclusive Women
2012-13	Public Commercial Banks	1243	1956.11	932	1293.1
	Private Commercial Banks	0	0	0	0
	RRBs	1832	2977.65	1517	2405.98
	Co-operative Banks	166	222.63	123	112.03
2013-14	Public Commercial Banks	1005	1443.24	590	849.2
	Private Commercial Banks	7	2.47	7	2.47
	RRBs	825	1469.2	978	1207.94
	Co-operative Banks	83	145.71	53	43.58
2014-15	Public Commercial Banks	979	1362.86	706	1029.23
	Private Commercial Banks	866	2057.83	866	2057.83
	RRBs	454	497	418	439
	Co-operative Banks	224	142.34	209	125.84
Percentage share Change from					
2012-13 to 2014-15	Public Commercial Banks	-21%	-30%	-24%	-20%
2012-13 to 2014-15	RRBs	-75%	-83%	-72%	-82%
2012-13 to 2014-15	Co-operative Banks	35%	-36%	70%	12%

Source : NABARD, Status of Microfinance Reports

## V. SCRIA (Social Centre for Rural Initiative and Advancement)

SCRIA is a community based organization working in the southern Haryana.

---

Mehra, A.  
Aggarwal, D. R.

SCRIA has been promoting microfinance through its **Samridhi programme**.  
Objective : SCRIA's Samridhi programme acts as an umbrella for promotion of rural entrepreneur and fair trade, micro credit support and rural crafts activities. In 1997, SCRIA formed the Shakti Parishad for women to come together for helping other women fight for their right and dignity.

Outcome -The outreach for intensive activities was in nearly 1200 villages in the districts of Rewari, Mahendergarh and Jhajjar in southern Haryana up to 2012. Since 1979, it has covered 1213 villages including 937 Sangathans and 9633 members. The total numbers of loan was 6126 and amount disbursed was Rs. 64730000. The main IGAs were agriculture, livestock related, trading and production related activities.

44

### **I. MEWAT DEVELOPMENT AGENCY (MDA)**

A brief about the district of Mewat is essential for understanding the role of MDA. Mewat is 20th district of Haryana state, which came into existence on 4<sup>th</sup> April, 2005. It is most backward and poor region in the southern part of the state, with one of the lowest literacy rates in the country. The reason for the poor growth of this district is ignorance by the policy makers and development agencies due to its location in the well developed state of Haryana. Mewat has six blocks namely, Nuh, Tauru, F. P. Jhirka, Punhana, Nagina and Hathin. The total population of Mewat was 1089406 (10.89 lakhs) in 2011 out of which 53,270 were BPL HH. The sex ratio and literacy rate in Mewat was 906 and 56.10% respectively (Census, 2011).

The main occupation of the people of Mewat is agriculture and allied & agro-based activities.

The Meos (Muslims) is the predominant population group and is completely agriculturist. Besides being backward with a low per capita income, this district has been chosen, as it had the history of SHG movement being started in a small way in the district in the year of 1998.

To deliver social and economic justice to the backward and under-privileged sections of society, the Government of Haryana created the Mewat Development Board (MDB) in 1980. Its executing body Mewat Development Agency was also formed simultaneously with its Governing body comprising of senior government officials with Commissioner, Gurgaon Division as Chairman and D.C. Mewat as Vice Chairman cum CEO. MDA's role is planning, coordination, administration, monitoring and reviewing the progress of various development projects/schemes being implemented both under MDB funded and normal plan budgets.

The Implementation Committee of the Board felt the need to attract funds from outside agencies to speed up the development of Mewat region. Hence, in 1995, the MDA initiated and implemented the Mewat Area Development Project (MADP) in collaboration with International Funds for Agriculture

---

Development (IFAD). The total Project cost was US \$22.3 million.

Objective : MDA's main objectives were to improve the economic and social well-being of the Meo community, to promote gender self-reliance on a sustainable basis and to broaden the range of economic opportunities available to the community. The initial period of the IFAD Project was seven years, effective from 1995-96 to 2002-2003. However, it was extended up to 31st March, 2005. Having been encouraged with the performance of SHGs, the project period was extended for another three years.

#### Outcome Analysis of the Mewat Area Development Project (MADP-IFAD)

1. The major downside was that project implementation suffered from frequently changing CEOs. Ten CEOs changed over the project period. High staff turnover in the line departments was a major impediment.
2. Social Development activities were subcontracted to NGOs (through the NGO MYRADA) and other service providers while all other project activities (soil, water, agriculture, livestock, etc.) were entrusted to respective line departments. CEO of MDA was responsible for project implementation.
3. There was little data available to compare the post-project situation with the pre-project situation (no baseline was conducted).
4. Efficiency was moderate in terms of timely delivery of project output. Project was extended by 2 years (though initially designed for 7 years). Delays were encountered during the 2000-2001 period.
5. The effectiveness can also be gauged from the fact that only one out of the 59 schools rehabilitated became operational. Output was below expectation for livestock development which is one of the mainstays of the local population. Horticulture and rural water supply were the only two areas where implementation was satisfactory. (Source : Project Completion Digest, 2008, IFAD)
6. The upside is that it was the first project to focus on both economic and social development. In the traditional Meo Society, women are not allowed to earn and gain control over resources. One of the main achievements of the project has been that changes were felt in the perception and actual role of women in traditional society. Women were slowly getting involved in income earning activities and gaining a place in decision making bodies.
7. Another positive effect was the initiation of the Self Help Groups programme by MDA for the empowerment of women, during the period of this project. The SHG approach has introduced subtle changes in the dynamics of the traditional Meo Society. The Project Completion Report mentioned that even though a remarkable degree of equity had been reached through the SHG mobilization and establishment of milk cooperatives, but these changes were not yet fully accepted by male leaders, in particular women participation in the higher councils of society.

Mehra, A.  
Aggarwal, D. R.

The above indicate that mixed results emerged as regards to overall effectiveness of the project.

At present, there are six Block Level SHG Federations operating under the umbrella Mewat Level SHG Federation through which the MDA is running community & women empowerment programmes.

46

The Self help groups in the district are formed through NGOs, who help in the formation of SHGs, provide training and monitor the SHGs. The NGOs are provided formation cost and monitoring cost for the above activities. The NGOs who are interested in partnering with MDA for implementation of various schemes for women empowerment are affiliated. There are more than 6 federations; these are like NGOs affiliated to various schemes in the district, the number of groups being formed increases day by day. There are three to five NGOs working actively in Mewat currently, though the official figure stands at fifteen.

According to the latest update by MDA, 2270 Self Help Groups comprising of 27251 members have been formed. These Self Help Groups have contributed Rs. 14.19 crores as saving up to 31.12.2015. An amount of Rs. 84.51 crores has been given as loan to 52298 SHG members. An amount of Rs. 59.10 crores has been repaid by the SHG members (almost 70% of the total loan amount). An amount of Rs. 1.24 crores has been given by MDA to 1574 SHGs as Matching Grant and Rs. 1.16 crores to 2068 SHG as Group Development Fund. (Mewat Development Agency, 2015)

Table 11 : SHG Information as on 31.12.2015

Particular	Unit	
Total No. of Villages	No.	505
No. of Villages Covered	No.	461
Total No. of SHGs	No.	2270
Amount of loan issued	Rs. In crore	84.51
No. of SHGs issued loans	No.	1953
Amount repaid	Rs. In crore	59.1

Source : Mewat Development Agency, [www.mda.nic.in](http://www.mda.nic.in)

In Mewat, the main microfinance schemes in operation are the following:

### **I. Lending Schemes of National Minorities Development and Finance Corporation (NMDFC)**

Mewat has been declared as the 90<sup>th</sup> Minority Concentrated District by the Government of India. The aim of NMDFC is to promote the economic development of the notified minorities (ie, Muslims, Christians, Sikhs, Buddhists and Parsis), especially for the “Backward sections” amongst the minorities, preference being given to women and the occupational groups.

Three schemes of NMDFC are being implemented by MDA – term loan scheme, educational loan scheme and microfinance scheme. Under the first two schemes, term loans are provided to individual beneficiaries upto a maximum of Rs. 10 lakhs. Our focus is on the microfinance scheme, the features of which are listed below:

- Scheme launched on the pattern of Grameen Bank of Bangladesh and Rashtriya Mahila Kosh under the Department of Women and Child Development in our own country.
- Started financing in Mewat in 2009-10.
- Provision of micro credit to poorest among poor through SHG network of selected NGOs.
- Informal loan scheme with quick delivery at the beneficiaries door step with a constant follow up.
- Pre-requisite is beneficiaries have to be organised into SHGs.
- Loan upto maximum of Rs. 50,000 (90% share of NMDFC, 10% share of Beneficiary).
- Rate of interest is 7% p.a. on reducing balance (reduced to 6% now).
- Repayment period is maximum 36 months.

47

From 2009-10 to 2014-15, a total of Rs. 694.89 lakhs has been given as microfinance from NMDFC Loan Scheme, out of a total of 861.20 lakhs disbursed under the three schemes, to 384 SHGS with 2763 as the number of beneficiaries. This shows that the focus of NMDFC in Mewat is on its Microfinance scheme as 81% of the total amount disbursed is in the form of microfinance loans, as is clear from the table below.

Table 12 : NMDFC Microfinance loans through MDA to beneficiaries

	<b>Amount disbursed under microfinance (Rs. Lakhs)</b>	<b>No. of beneficiaries</b>	<b>Total amount disbursed by NMDFC (Rs. Lakhs)</b>	<b>Total no. of beneficiaries</b>	<b>Microfinance as Percentage of total amount</b>
2009-10	0	0	0	0	0%
2010-11	299.57	1340	382.81	1528	78%
2011-12	109.8	488	142.31	558	77%
2012-13	74.92	333	99.39	373	75%
2013-14	210.6	576	231.23	620	91%
2014-15	0	0	5.46	11	0%
Total	694.89	2737	861.2	3090	81%

(Source : Mewat Development Agency website, [www.mda.nic.in](http://www.mda.nic.in))

Mehra, A.  
Aggarwal, D. R. The total NMDFC loan amount repaid as on 30<sup>th</sup> June, 2015 was Rs. 491 lakhs out of a total of 731 lakhs NMDFC loan amount (67%). (source : MDA, Nuh, Mewat, HR).

## II. Swarnjayanti Gram Swarozgar Yojana (SGSY/NRLM)

48

Under SGSY, the beneficiaries are known as Swarozgaris. They can be either groups or individuals. The emphasis is on the group approach, under which the rural poor are organised into Self Help Groups. Finance is being provided for activities like dairy, bullock/camel carts, kiriyana shops, rural artisans etc.

An amount of Rs. 167 lakh has been allocated up to the year of 2013, the amount of Central

Fund was Rs. 122.03 lakh and State Fund Rs. 40.68 lakh. The total expenditure was Rs. 163.10 lakh. The revolving fund amount was Rs. 20.50 lakh.

Table 13 : Financial Performance of SGSY in Mewat upto March, 2013

Particulars	Amount (in Lakh)
Allocation	167
Opening Balance	23.95
Central Fund	122.03
State Fund	40.68
Misc. Receipts	0
Expenditure	163.1
% of Expenses	87.38%
Revolving fund	20.5
Infrastructure	14.34
Training	0.42
NGOs/Facilitators	13.02

Source : DRDA, Nuh

A total of 1138 SHGs were formed in Mewat under this scheme up to 2013. Nuh block had the highest number of groups i.e. 364 followed by Nagina (235), Tauru (206), Punhana (177) and F.P. Jhirka (156). There was no dysfunctional group in any block of Mewat. 778 groups passed grade-I and 518 SHGs passed grade-II. A total of 19 groups were involved in economic activities after passing grade-I and 376 SHGs were involved in income generating activities (IGAs)

after getting grade-II. Out of the total SHGs formed, 765 SHGs were women groups and 376 women SHGs were involved in IGAs.

Table 14 : Physical Achievements of SGSY in Mewat (from April 2005 to March 2013)

Particulars	Nuh	Nagina	Tauru	Punhana	F. P. Jhirka	Total
Total No. of SHGs formed	364	235	206	177	159	1138
Total No. of defunct SHGs	0	0	0	0	0	0
No. of SHGs passed Grade-I	309	159	120	115	75	778
No. of SHGs passed Grade-II	231	132	45	73	37	518
No. of SHGs involved in IGAs after Grade – I	0	12	7	0	0	19
No. of SHGs involved in IGAs after Grade – II	154	75	42	61	44	376
No. of Women SHGs formed	202	179	130	117	134	765
No. of Women SHGs involved in IGAs	154	75	42	61	44	376

Source : DRDA Office, Nuh

The total number of SHGs and Individual Swarozgaris assisted under this scheme were 1091 upto March 2013, out of which the number of SHGs assisted were 1024 and individual swarozgaris assisted were 67. So the focus is clearly on the SHG groups.

The total credit target was Rs. 438.80 lakh, with Punhana block having the highest credit target followed by Nuh (Rs. 116 lakh), Nagina (Rs. 80 lakh), F.P. Jhirka (Rs. 64 lakh) and Tauru (Rs. 54 lakh). The total credit disbursed to SHGs and individual Swarozgaris was Rs. 370.78 lakh. The amount of subsidy disbursed to SHGs and Swarozgaris was Rs. 114.83 lakh. In both cases a larger share went to SHGs. The total amount disbursed was Rs. 485.61 lakh out of which 93% (Rs. 452.23 lakhs) was disbursed to SHGs and 7% (Rs. 33.38 lakhs) to individual swarozgaris.

Table 15 : Subsidy and Credit Disbursed to SHGs and Individual Swarozgaris under SGSY in Mewat (March 2013)

(Rs. in Lakh)

Blocks	Total Credit Target	Credit Disbursed			Subsidy Disbursed			Total Amount Disbursed		
		Total	SHGs	Individual	Total	SHGs	Individual	Total	SHGs	Individual
Nuh	116	109.09	108.29	0.81	32.23	32.03	0.2	141.32	140.32	1
Nagina	80	83.42	83.42	0	30.98	30.98	0	114.4	114.4	0
Tauru	54	15.66	15.66	0	4.34	4.34	0	20	20	0
Punhana	124.8	87.49	73.25	14.24	23.83	20.7	3.13	111.32	93.95	17.37
F. P. Jhirka	64	75.12	62.56	12.56	23.45	21	2.45	98.57	83.56	15.01
Total	438.8	370.78	343.18	27.61	114.83	109.05	5.78	485.61	452.23	33.38

Source : DRDA Office, Nuh

### III. NABARD's SHG Bank Linkage Programme

The Self Help Group (SHG) Bank linkage programme launched in 1997 by NABARD started very late in Mewat district as compared to other districts in the state of Haryana. This programme has become a very effective tool for the upliftment of the socio-economic status of the rural poor.

A total of 5791 SHGs (including SHGs formed by MDA) have been formed in the district as on 31<sup>st</sup> March, 2014, with 95% of those being women SHGs. The number of SHGs is increasing since last three years. The amount of bank loans outstanding is increasing by approximately 20% every year.

Table 16 : Progress of SHG-Bank Linkage Programme under NABARD in Mewat

Particulars	2012	2013	2014
Number of SHGs promoted	4477	5046	5791
Number of SHGs credit linked	3859	4706	4776
Amount of outstanding bank loan (Rs. Lakh)	1067	2119	2598
Percentage of women SHGs	95%	95%	95%
Average loan per SHG (Rs. Lakh)	0.3	0.45	0.54

Source : NABARD Office, Nuh

### FINDINGS AND DISCUSSION

In Haryana, SBLP is the leading microfinance movement closely followed by SGSRY/NRLM/Aajeevika in terms of SHGs formed and loan

disbursement. Under SBLP, the total number of SHGs formed was 41653 up to 2015 with the saving amount of Rs. 36.51 crores and loan (disbursed) amount of Rs. 40.60 crores.

A comparison of the SGSY and SBLP show that the number of SHGs under both are decreasing at a decreasing rate since 2008-09, more so in the case of SGSY. 2011-12 was a good year for the SBLP programme registering an increase of 25%, thereafter again going into a decline mode.

Table 17 : Comparison of SHGs under SGSY/NRLM and SHG-Bank Linkage

Year	Number of SHGs SGSY/NRLM	Number of SHGs SHG Bank Linkage	SGSY/NRLM Percentage Change over previous year	SHG-Bank Linkage Percentage Change over previous year
2007-08	2261	23570.00	41%	33%
2008-09	4506	33257.00	99%	41%
2009-10	3678	36762.00	-18%	11%
2010-11	2999	35319.00	-18%	-4%
2011-12	2634	44184.00	-12%	25%
2012-13	2487	42580.00	-6%	-4%

The amount of savings of SHGs and loan disbursals in the state have fluctuated over the years. However, the amount of gross NPAs for bank loans to SHGs has been on a consistent rise. The share of public commercial banks and RRBs in loan disbursals in the SBLP programme, especially to women SHGs is on a decline. On the other hand private sector banks have entered this arena with loan disbursals to only exclusive women SHGs from 2013 onwards and within one year the loans disbursed increased from Rs. 2.47 lakhs in 2013-14 to Rs. 20 crores in 2014-15 (refer table 10). This shows that government interest seems to be slackening as opposed to private sector. Hence, though there was a rapid spurt in SHG formation in the initial years, thereafter, the SHG momentum seems to have slowed down.

As regards Mewat, it is evident that there is a lot of emphasis on formation of SHGs in the district. In spite of that the area has remained backward with very low socio-economic development. So it is clear that the impact of the programmes is much below the desirable level, which implies that there are shortcomings in the schemes being implemented.

- **Overlapping schemes with similar objectives in operation.** A number of schemes are being run by different departments. This shows government disinterest with no proper focus.
- **Focus on Fund disbursement and not fund utilisation.** Funds are arbitrarily disbursed to complete fund disbursement targets. No thought is given towards utilisation of these funds.
- **Improper selection of beneficiaries.** Those who really need the funds may not be the recipients if the selection process is not seriously conducted and may result in funds being diverted towards unintended beneficiaries.
- **Lack of coordination between the involved or concerned parties** (for example, between government officials, bank staff, NGO workers, federation staff and group members)
- **Lack of proper supervision and monitoring.** This is because the implementing agencies are overburdened with other responsibilities and have inadequate manpower. In addition there is lack of staff trained on financial literacy, income generation and other social issues.
- **Indifferent or unenthusiastic attitude of bank officials.** The officials entrusted with the task of implementation display complete lack of interest as this is not a priority area for them. Moreover, most of the officials are unwilling to serve in backward areas like Mewat and get a transfer at the first available opportunity. Hence, lack of continuity also hinders proper implementation. The Committee on Financial Inclusion by Dr. C. Rangarajan, Jan 2008 had observed that in several cases, bankers showed unenthusiastic attitude in promoting SHGs. Some of the reasons cited were shortage of staff, time etc. (Kumar and Golait, 2009)
- **Lack of awareness about the schemes.** A few women have never taken loans in spite of being SHG members due to ignorance, lack of motivation and lack of knowledge about income generation activities.
- **Inadequate emphasis on creation and sustenance of income generating activities.** Beneficiaries at times are unaware of the possible income generation activities. Also there is inadequate support in terms of provision and accessibility to technology and marketing facilities.
- **Lack of proper training.** There is hardly any skill based training provided. No training has been conducted in Mewat by the MDA for the last three years. Training needs to be conducted near the villages as women cannot leave their household duties and travel long distances.

- Above all, the **Rigid socio-cultural mindset** in terms of unacceptability of asset ownership by women is still prevalent glaringly in Haryana.

## CONCLUSION

The SHG approach is clearly the most favoured approach for microfinance being used by almost all the departments and organisations of Haryana. Among all Microfinance programmes in Haryana, SBLP is leading with highest number of SHGs and loan amounts. The microfinance programme of the Mewat Development Agency is also showing positive results but is still far below the desired level of achievement. Focus should be on quality rather than quantity and on creation of sustainable income generation activities. A conscious effort towards removal of impediments and adoption of innovative practices should be able to streamline the SHG movement in the state.

With most of the paraphernalia already in place with respect to microfinance, there is no reason why Mewat should continue to languish as a backward district in the twenty first century. With the right intention and planning, it should not be difficult to steadily improve the economic development of areas like Mewat in Haryana. Due to the rigid mindset of the population, it may be difficult but not impossible.

## REFERENCES

- Batra, Vikas (2012), 'Self Help Group Movement in Rural Haryana: An Analysis of Trends, Patterns and Schemes', *School of Management Sciences (SMS) Varansi*, Vol. 8, No. 2, pp 78-88.
- Census of India Haryana (2011), '*District Census Handbook Mewat, Series- 07, Part 12-B*', Directorate of Census Operations, Haryana.
- Government of Haryana (2015), '*Economic Survey of Haryana, 2014-15*', Department of Economic and Statistical Analysis, Haryana, 2015.
- Government of Haryana (2015), '*Statistical Abstract Haryana 2013-14*', Department of Economic and Statistical Analysis, Haryana, 2015.
- Government of Haryana (2015), '*White Paper on State Finances, Part I, Finance Department, March 2015*', Government Of Haryana, Table7, page 7.
- IFAD, Project Completion Digests (2008), India:Mewat Area Development Project, (online) (cited 23<sup>rd</sup> May, 2015), Available from <<http://operations.ifad.org/documents/654016/f58e9a2e-4a84-452e-8ad0-439be3457dc5>>
- Kumar, P and Golait, R (2009), 'Bank Penetration and SHG Bank Linkage Programme - A Critique', *Reserve Bank of India Occasional Papers*, Vol. 29, No.3, pp 119-138.
- Manohar, L. (2015), 'Growth of SHG-Bank Linkage Programme – A Comparative Study of Six Regions in India', *International Journal of Research in Humanities and Social Studies*, Vol 2, No. 8, pp 28-37.
- Mewat Development Agency (2015), Mewat Development Agency, Nuh, (online) (cited 1<sup>st</sup> December, 2015), Available from URL : <<http://www.mda.nic.in>>
- Ministry of Rural Development (2015), 'PRC Presentations on 8<sup>th</sup> July, 2015', (online) (cited 1<sup>st</sup> December 2015), Available from URL : <<http://rural.nic.in/netrural/rural/sites/PRC.aspx>>
- Ministry of Women and Child Development (2009), '*Study on impact of microfinance in reduction of domestic violence against women*', Institute of Social Studies Trust, December

---

Mehra, A.  
Aggarwal, D. R.

2009.

- NABARD. "Status of microfinance in India" Reports (From 2007-08 to 2013-14)  
NABARD, 'Functions : Overview' (2016), (online) (cited 30 December 2015), Available from URL : <<https://www.nabard.org/english/overview.aspx>>  
NABARD (2015), 'Status of Microfinance in India 2014-15', Micro Credit Innovations Department, NABARD, Table 3.1, Page 7.
- 
- Panwar, M. and Kumar, J. (2012), 'Self Help Groups (SHGs) of Women in Haryana A Social work Perspective', *OIDA International Journal of Sustainable Development*, Vol 5, No. 10, pp 11-23.
- Rural Development Department, Haryana (2015), The manual under clause 4(1) (b) of the Right to Information Bill for Rural Development Department issued by Directorate of Rural Development, Haryana, Chandigarh, Page 6, (online) (cited 1st December 2015), Available from URL : <<http://www.haryanarural.gov.in/RTI/ruraldev%5b1%5d.pdf>>  
Rural Development Ministry, Haryana (2015), *Activity Note 2015*, Rural Development Department, Haryana.
- Rural Development Ministry, Haryana (2015), Swaranjayanti Gram Swarozgar Yojana, Rural Development Department, Haryana, (online) (cited 30<sup>th</sup> November 2015), Available from URL : <<http://www.haryanarural.gov.in/sgsy-note.htm>>  
Singh, J. and Verma, C. (2013), 'Evaluating Lending Schemes of National Minorities Development and Finance Corporation in Mewat District', *Shiv Shakti International Journal in Multidisciplinary and Academic Research (SSIJMAR)*, Vol. 2, No. 6, November-December, pp 1-12.
- Surender (2012), 'Assessment of Economic Development by Self-help Groups in Haryana', paper presented at National Seminar on Inclusive Democracy : People, Power and Progress (May 30-31, 2012), Central University of Haryana, pp 45-52.
- Women and Child Development Department, Government of Haryana (2015), Haryana Women Development Corporation, (online) (cited 6<sup>th</sup> Jan 2016), Available from <http://www.wcdhry.gov.in/hwdc.htm>

54

**Ms. Archana Mehra**, Research Scholar, The NORTHCAP University (NCU), Sector 23 A, Gurgaon. Email: [archanamehra@ncuindia.edu](mailto:archanamehra@ncuindia.edu).

**Prof. D. R. Aggarwal**, Professor Emeritus, The NORTHCAP University (NCU), Sector 23A, Gurgaon. Email: [draggarwal@ncuindia.edu](mailto:draggarwal@ncuindia.edu).