ANALYSIS OF BANK LOANS DISBURSED TO SELF-HELP GROUPS UNDER THE SHG-BANK LINKAGE PROGRAMME IN INDIA

DR.K.V.S.PRASAD*; G.SUDARSANA RAO**

*ASSISTANT PROFESSOR,
DEPARTMENT OF BASIC SCIENCE AND HUMANITIES,
GMR INSTITUTE OF TECHNOLOGY, RAJAM,
SRIKAKULAM DISTRICT, ANDHRA PRADESH, INDIA, PIN:532127

** PROFESSOR,
DEPARTMENT OF COMMERCE AND MANAGEMENT STUDIES,
ANDHRA UNIVERSITY, VISAKHAPATNAM, ANDHRA PRADESH, INDIA

ABSTRACT

Nationalization of the major private banks in 1965 was a big step in the process of financial inclusion in India. Further, the concept of microfinance had evolved in the late 1970s. The financial services such as credit, savings, and insurance to low-income individuals are provided by the microfinance and microcredit. With a view to spreading the banking services, social responsibility in 1967, lead bank responsibility, nationalization of banks in 1969, service area concept in 1988, introduction of Regional Rural Banks (RRBs) in 1975, establishment of NABARD in 1982 has enabled the all segments like rural, tribal, hill tracks, forest areas and other areas. All the processes have missed the most primary aspect of covering individual family and individual in the family. To cover this aspect the Self Help Groups (SHGs) concept at micro level in every street of a village was conceived. Keeping this view, the authors have made an attempt to analyze the bank loans disbursed to Self Help Groups under the SHG-Bank linkage programme in India as the main objective of this paper. It also analyses the importance and approaches of financial inclusion, objectives, benefits and models of SHGs - Bank linkage programme.

KEY WORDS: Financial Inclusion, Self-Help Group, SHG-Bank Linkage Programme.