

Financial Inclusion Acted as a Tool to Remove Poverty with Lamps of Dooars District

¹Subhajit Banerjee

¹Research Scholar and SRF (UGC)

¹Visva Bharati University, Bolpur, West Bengal, India.

Abstract

In this paper, the financial inclusion based on the establishment of LAMPS within the vicinity of West Bengal with special reference to the district Dooars has been presented in a detailed manner. It has been comprehended that several projects including SHG, MFI and other developmental measures for eradicating poverty have been integrated within the state for eradicating poverty. However, the establishment of LAMPS has significantly assisted to eradicate the level of poverty within the state, specifically Dooars at an extensive rate. The financial and economic growth have been significant after the establishment of LAMPS within Dooars which assisted several poor people including scheduled tribes, schedule caste and other backward classes. Hence, the financial inclusion based on the projects of LAMPS has significantly acted as a potential tool for eradicating and reducing the level of poverty within the district Dooars as well as within the entire vicinity of West Bengal.

Introduction

The issue of poverty has become one of the most critical problems across the nation of India as it has its features which are unique as well as complex in nature. In India, specifically West Bengal, several approaches and attempts had been adopted by governments to alleviate or reduce the problem of poverty including the role played by Self-Help Groups as well as Swarnajayanti Gram Swarozgar Yojana scheme along with financial inclusion from two different models including MFI- bank model and SHG- bank linkage model have been significant for enhancing the lives of people towards betterment. The microcredit revolution of the 1990 has been significant for contributing towards the goals of empowerment and development but its contribution for tribal people have been limited. This has led to the establishment of LAMPS within the vicinity of West Bengal.

In relation to the district Dooars, West Bengal, poverty has become an acceptable human condition which has gained significant attention by the financial inclusion centre. It has been well highlighted by Kotzee and Reyers (2016) that lack of financial capability is certainly linked to poverty and financial inclusion acts as mainstream service providers by offering services to the financial excluded sector. The microfinance services from SHG and MFI centre are significant for eradicating poverty within the district of Dooars. However, the establishment of LAMPS known as Tribal Development Co-agents Corporation Limited within West Bengal has assisted to develop the conditions of poor and tribal people. In the business year 1973, the development of Belpahari LAMPS Ltd within West Bengal has assisted to enlist 155 LAMPS for motivating poor people within the state including Dooars. In relation to such context, the present paper highlights the role played by financial inclusion over eradicating poverty with special reference to the district Dooars.

Aims and objectives

The aim of this research is to study the impact of financial inclusion which acted as a tool to remove poverty with LAMPS of the Dooars district.

The objectives are:

To study the economic growth and financial inclusion in context to India

To study the quality of life under Lamps

To analyse influence of financial inclusion to remove poverty in context to the lamps of Dooars district

Significance of the study

In relation to the academic area, the present study contributes towards developing deep insights and knowledge about the financial inclusions based on the State West Bengal with regards to the LAMPS project of Dooars district. This certainly opens a wide scope for future research. On the other hand, the study also contributes to the practical areas which can be utilised by governments and regulatory bodies to analyse the significance of financial inclusion and need of successful integration of LAMPS in eradicating poverty and empowering tribal and backward class people. This can certainly assist to develop more policies and groups contributing to eradicate poverty.

Literature Review

As put forward by Krishnamurthy *et al.* (2017), the state-level establishment LAMPS within West Bengal also known as West Bengal Tribal Development Co-agents Corporation Limited, that is certainly shaped to assist and guide each individual of LAMPS have been one of the most effective measures for eradicating poverty. In addition, the requirement for the establishment of LAMPS requires ITDP area where 10,000 populations must be there. From the business year 2007, the ITDP territory and non-ITDP regions have been integrated with the LAMPS projects where minimum 500 ST from 500 families and around 300 ST individuals reside in the slope area. It has been well estimated by Kuri and Laha (2011) that around 4,44,285 are the absolute number of tribal people residing within the state of West Bengal, in which half of them is women.

Other than that, there are different projects under LAMPS that have been integrated within the district Dooars, West Bengal in order to strengthen the socio-cultural aspect of individuals. It has been well highlighted by Laubach and Williams (2016) that the Non-Timber Forest Produces approach under the LAMPS project has been essential for empowering the minor people by offering them occasional work. This certainly assists them to develop their living conditions and leads to economic growth as well. On the other hand, Le and Raven (2015) suggested that the SHG has been also significant for micro credit and enhancing the living condition of women specifically with backward classes. Hence, the financial inclusion based on LAMPS as well as other institutions has assisted to develop the financial and economic factors of the State specifically for the district Dooars.

As opined by Lohmann and Zagal (2016), the AMSY and Disha plan under the TSP plan and also under the supervision of LAMPS have also assisted to enhance the financial inclusions for the poor. The eradication of poverty for the tribal people has been significantly utilised through these plans under the LAMPS projects. In addition, Jauch and Watzka (2016) also highlighted that these SHGs needs to be executed and implemented appropriately for credit services to the minors of Dooars and must follow the guidelines of LAMPS. Other than that, the establishment of NABARD which is linked by SHG bank has also contributed towards providing credit for agriculture activities assisting the minors. Furthermore, the term financial inclusion acts as a significant aspect for the establishment of LAMPS successfully within Dooars. It has assisted individuals such as young people, women and other minor people with occasional worked in order to alleviate poverty in this particular region. It has been well stated by Jayadev and Sundar (2016) that although there were several developmental policies and projects framed by the government within West Bengal but the appropriateness of LAMPS projects have been significant for eradicating poverty within the district Dooars.

Economic growth and financial inclusion

George *et al.* (2019), convincingly fought that poverty is not just insufficient pay, yet rather the nonappearance of wide extent of limits, including security and ability to look into Economic and political systems. Today the term 'base of the pyramid' implies the overall poor most by far of who live in the making countries. These tremendous amounts of poor are required to be given really fundamental financial assistance with or nearly deaf to journey them out of their conditions of poverty. Properly, there is felt a prerequisite for methodology support in occupying the financial resources towards the economic choice of advantage poor in any making economy.

The understanding is that finance progresses economic growth yet the degree of impact differs. Financial inclusion is wanted to interface people to keeps cash with significant points of interest. Ensuring that the financial system expect its due activity in propelling far reaching growth is one of the best troubles standing up to the rising economies. It is often advocated that financial improvement makes engaging conditions for growth when access to ensured, straightforward and sensible credit and other financial organizations by destitute individuals and vulnerable social affairs, upset domains and slacking territories is seen as a precondition for stimulating growth and reducing compensation irregularities and poverty (Jain, 2019).

Each country over the globe unquestionably means to accomplish higher economic advancement and growth to guarantee a superior and sound living condition to its populace and India is no exemption to this. This clearly underscores an arranged and adjusted economic improvement and growth. The significance of comprehensive growth lies in the way that, India being a communist, popularity based republic, it is basic on the arrangements of Govt. to guarantee even handed growth of all areas of society. The economic advancement approaches constantly will in general give more advantages of the financial administrations to business and high salary gatherings overlooking flimsier areas of the general public. In India the financially prohibited segments involve to a great extent provincial masses, land less works, minimal ranchers, chaotic part managers, ethnic minorities, socially avoided gatherings, senior residents and ladies. Request side and supply side are the two parts of financial inclusion. Request side alludes to the familiarity with individuals about their need and request of financial administrations and the supply side is the supply of financial administrations by formal framework. Hence, viable upgrade of financial inclusion can be endeavoured just when the endeavours for interest and supply both the sides are attempted. Numerous divisions and subsectors of the economy and numerous portions of populace have a powerless interest for financial administrations. So as to improve the financial inclusion request side endeavours should be embraced including financial education, alleviating danger and fortifying business sector linkages. Financial inclusion has been one of the top needs of the Indian financial division (Jain, 2019).

Financial inclusion ought to be gone for comprehensive growth in the Indian setting too. As poverty levels decrease and family units have more prominent dimensions of optional wages, they will be first time financial savers. They will, along these lines, need simple access to formal financial frameworks to get into the financial propensity. Banks should improve and devise more up to date techniques for including such clients into their overlap. The micro-credit and the Self Help Group developments are in their early stages despite everything they have to assemble power. Advancement as business facilitators and journalists will be required for banks to build their effort for banks to guarantee financial inclusion. New participants to the financial framework need families at their doorstep. There has been a blasted of business enterprise the nation over, spreading over country, semi-urban and urban zones.

Quality of life under lamps

LAMPS have been seen to deliver work and to give the most extraordinary assistance to inherent. The program began to propel guide and scaled down scale credit in order to lift distinctive standard works like sericulture, piggery, earthenware production, and apiculture, etc. They also assess the need of the locale and make all-state instruments and plan less complex to get to. This confirmation reduces the commitment of any outer body like money bank or middle person into inalienable issues. LAMPS are in like manner expected to invite differing practices according to the situation of the particular area to redesign economical socio-environmental headway. They advance water framework, soil safeguarding, forest the board, etc in the tribal region to confirm natural robustness, control flood, and other trademark fiascos (Hanson, 2015). The co-usable body also gives manure and grain seed to tribal as a bit of economic improvement of factions. This all case of working activities supports the improvement of personal satisfaction in the familial area. LAMPS consider local resources of a system to propel ability improvement getting ready program and collecting employability. The endeavour expected to make human capital in the tribal region. In numerous spots, LAMPS enable provincial banking and lone to the characteristic system. Person's participation is another component of these activities since it searches for the best number of people with different activities. It has been overcoming any impediment between the regions to area and working up far reaching adjacent

measurement advancement and improvement. In recluse sense LAMPS fulfilling the system of decentralized financial improvement (Groh *et al.* 2018).

Influence of financial inclusion to remove poverty in context to the lamps of Dooars district

Endeavours have been made to give financial administrations, particularly credit offices, to the rustic populace since the eighteenth century. Advances were given to the poor ranchers so as to purchase seeds and horticultural actualizes. The regulation of frameworks for financial inclusion in India started with the foundation of credit cooperatives following the sanctioning of the Cooperative Credit Societies Act in 1904. The cooperatives, which had made adequate in Poverty and rejection keep on overwhelming financial and political talk in India as they have done in the course of the most recent six decades in the post-autonomy period. Poverty decrease has been a significant objective of advancement strategy since the initiation of arranging in India. Different enemy of poverty, work age and essential administrations programs have been in activity for a considerable length of time in India. The progressing changes append extraordinary significance to evacuation of poverty and to tending to the wide varieties crosswise over states. In spite of the fact that the Indian economy recorded great growth rates up to this point, its effect has tragically not completely permeated to the most minimal deciles. In spite of being one of the ten quickest developing economies of the world, India is as yet home to 33% of the world's poor (Hanson, 2015).

Alongside different business and spearheading program the LAMPS of Dooars has been endeavoured socio-social reinforcing program for innate in various locales. Following are the activities completed to improving the individual fulfilment of innate by WBTDCC Ltd. through LAMPS of West Bengal. Non-Timber Forest Produces (NTFP): Top need is affixed to NTFP task as they give intermittent work to hereditary people living in closeness to timberlands. The action is kept to Jalpaiguri and Darjeeling just and relates to Kendu leaf and Sal seeds gathering. While the Kendu leaves collection including pruning gives business the natural people most by far of whom are women, for a period of 90 days, Sal seeds gatherings gives labour for 30 days from focal point of May to complete of June. On an ordinary an expert gets as proportion of Rs. 150/- consistently. LAC Project (An inventive method to manage lac advancement) It has been checked by IINRG that such developing bearings a potential and rapidly creating overall market with a splendid prospect. Convinced of the ability of lac advancement, the Corporation has endeavoured in the midst of the force crop year an imaginative work movement at Dooars. The action has been pushed on an investigation premise on a stretch of 25 segments of place that is known for run down land out of interfacing 500 segments of place that is known for forlorn land which may thusly be verified (Maddocks, 2018).

Regardless, it is crippling to observe that the amount of people with access to the things and organizations offered by the financial structure continues being very limited even an exceptionally prolonged stretch of time after introduction of far reaching financial exercises in the country through measures, for instance, the supportive advancement, nationalization of banks, arrangement of regional rural banks. Over the span of ongoing years, Reserve Bank of India, as also other technique makers have resolutely looked for after the inspiration of financial inclusion and achieved discernible progression in improving access to financial organizations for the dominant part. The importance of financial inclusion has been unyieldingly underlined in the wake of the financial crisis (Groh *et al.* 2015). The crisis has had an essential contrary impact on lives of individuals comprehensive. Countless people have lost their positions, their homes and venture reserves. One of the obvious clarifications behind the crisis was that the financial system was revolved around helping its own one of kind points of interest and lost its linkage to the certifiable fragment and with the overall population free to move around at will. The crisis moreover achieved an affirmation that free market forces don't for the most part result in increasingly conspicuous capability in the financial system, particularly while verifying the premiums of the unprotected zones of society. This is a direct result of the information asymmetry killing these zones, accordingly putting them at a genuine prevention. In wake of the crisis, as such, Financial Inclusion has created as a methodology essential for exhaustive growth in a couple of countries over the globe. Nevertheless, anyway much lip organization has been paid to Financial Inclusion; the genuine progression has remained far from

acceptable. It is unfortunate that the entire exchange including financial inclusion has delivered gigantic warmth and sound, yet insignificant light (Maddocks, 2018).

Future Directions

For future directions, a qualitative and quantitative approach can be integrated by analysing financial data and their contribution for eradicating poverty within the district Dooars, West Bengal with special reference to the project of LAMPS. This can assist to develop generalised results. Other than that, significant recommendations and developmental methods can be developed in the future for eradicating poverty from its root level and enhancing the strategies of LAMPS. The need for appropriate framework and regulatory policies can be also developed in future endeavours by researchers with the inclusion of survey or case study analysis. This can also assist to develop generalised results and conclusion.

Conclusion

In conclusion, it has been analysed that the actions and steps taken by the government of West Bengal have certainly assisted to reduce the level of poverty from the district Dooars. In addition, the financial inclusions based on the project LAMPS have certainly acted as a potential tool for mitigating the issues associated with poverty. The financial inclusions including self help groups, MFI as well as other institutions have been significant to comprehend the issues accordingly and take efficient measures for mitigating its root cause. However, the project of LAMPS has been the most effective measure initiated by the government of West Bengal to eradicate poverty and financial empower the backward or poor people of Dooars. Hence, it can be stated that the project LAMPS initiative by the government of West Bengal within Dooars have assisted towards economic and financial stability for the tribal and backward classes people.

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