

Empowerment of Women through Self Help Groups (SHGs) in Gurdaspur District of Punjab State

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Abstract

The self-help group (SHG) is a small voluntarily formed group of people who have same poor economic conditions and low status of living preferably from the same socio-economic background. They come together for the purpose of solving their common problems through self-help. The present study was carried out to study the socio-economic profile of SHGs. The present study entitled “Punjab State Rural Livelihood Mission (PSRLM): Empowerment of Women through Self Help Groups (SHGs) in Gurdaspur district” Punjab was undertaken with a view of the study of the socio-economic profile of rural women members of self-help groups viz. gender and marital status, age groups, education level, community/social group and religion along with their economic conditions. Respondents’ performance with respect to Group Saving, Financial Inclusion viz. Inter loaning from the group, Revolving Fund (RF) and Community Investment Fund (CIF) is also explored. Keeping in the view of objectives of the study an appropriate sampling plan and variables were selected, interview schedule was prepared and data was collected to draw the conclusion. The total samples of 150 respondents were selected randomly. The collected data was tabulated and analyzed with the help of suitable statistical tool such as percentage. There were significant effects and empowerment seen in the study. The study also aims to find out the major problems faced by SHGs in the study area.

Keywords: Entrepreneurship, Self-help group, Socio-economic profile, Women empowerment.

Introduction

Rural people face problems like high poverty and unemployment due to more illiteracy, lack of infrastructure like schools, colleges, health care centers, roadways etc. and low agriculture productivity. They have lesser role in decision making in planning and policy formulation at the local, regional and national level administration. As a result, in the search of employment and to get better facilities, people have been migrating to the urban areas. The situation of rural women and socially deprived of groups is more precarious. The reason being the problems like gender inequalities, low female literacy, lesser employment opportunities, low female labour force participation rate, low sex ratio, low participation in decision making, unequal wage payment, caste based discrimination etc. are more in rural areas. They lead a life of lower status due to discrimination, social inequalities and lesser economic freedom. No doubt, due to various efforts made at the national and international level, the status of women in general has been improving. Similarly, efforts have also been made for social inclusiveness.

Government has always focused on the rural development across country through the implementation of the various welfare programmes for the rural poor people. National Rural Livelihood Mission (NRLM) is the latest one which is a reformulated form of SGSY. It aims at promoting the self-employment and organizing rural poor people living Below Poverty Line (BPL). The major idea is to make Self Help Groups to generate self-employment in poor rural families. Under this mission, Self Help Groups (SHGs) at the village level is constituted in the form of federation and these SHGs provide beneficial self-employment opportunities to the rural people for ensuring better and stable livelihood. This mission gives focus on women, scheduled caste/ scheduled tribes, minorities, tribal women and disabled people with the purpose to include at least one woman member of the identified poor families in the SHG. Governments and non-government agencies have been trying to address

these inequalities and achieve women empowerment through self-help group (SHG) programmes with the basic assumptions of income generating programmes that are giving women access to working capital and technical support, training, ability to generate choices and develop self-respect, secure desired changes, and the right to control one's life. Further, SHGs are working with important goals and improve women empowerment through the development of social capital and the mobilization of women (Systematic Review Summary, 2019).

Objectives of the study

1. To understand the demographic profile of the respondents
2. To identify the socio-economic condition of women in SHGs
3. To identify the financial inclusion – Group Saving, Revolving Fund (RF) and Community Investment Fund (CIF)
4. To assess the effectiveness of SHGs in the socio economic condition of women

Research Methodology

The study was conducted in Gurdaspur district of Punjab state. The district Gurdaspur was selected purposively, as it has the history of SHGs work and has highest number of working women SHGs. Sample size of 150 respondents was selected for collecting the data of the study and also adopted convenience sampling technique for this research study. The researcher has carried out the data collection through self-structured questionnaire and explained the purpose of the research to the respondents and distributed the questionnaire. The respondents had answered all the items of questions on their own understanding and willingness.

Main Findings

1.1 Gender wise Status

Punjab State Rural Livelihood Mission mainly aims to improve the condition of poor rural through SHGs. Under this mission, poor households are identified and covered in the scheme. Further, the self-employment based, wage employment based and group based employment opportunities for women through SHGs are provided. The mission's document reads, one member (preferably a woman) from each rural poor household would be brought under the Self Help Group (SHG) network. So, the gender wise composition of respondents is such that an over achieving number i.e. 150 is of female members (98.67 percent) and only two are male respondents (0.44 percent) out of the total respondents covered in the sample. It shows that almost all respondents are females except two males who are group members of SHGs. This scheme thus mobilizes women to generate SHGs and improves the rural livelihood.

Table No. 1.1: Distribution of respondents on the basis of gender

Gender	No. and % age
Female	148 (98.67)
Male	2 (1.33)
Total	150 (100.00)

Source: Primary Survey

The main aim of this mission is to cover one woman from each rural poor household under the Self-help Group (SHG) network under NRLM. No doubt, there are male and female oriented self-help groups in India, but, it is the females who control the SHGs under NRLM while the participation of males is negligible in Punjab.

1.2 Marital Status

Respondents are categorized into four groups i.e. married, unmarried, widow and divorcee. This table illustrates that a huge majority i.e. 132 respondents (88.00 percent) are found to be currently married, 1 respondent (0.67 percent) is unmarried and 17 respondents (11.33 percent) are widow members and there is no divorced respondent in the sample of the study.

Table No. 1.2: Distribution of respondents on the basis of marital status

	No.	% age
Married	132	88.00
Unmarried	1	0.67
Widow	17	11.33
Total	150	100.00

Source: Primary Survey (Note: None of the respondents was divorcee.)

Thus, it may be concluded that the rural poor married women readily take the membership of SHGs under the PSRLM/NRLM and it supports widow women too. The scheme is beneficial for married as well as widow women.

1.3 Age wise Status

Age is an important factor in taking the decision to join a particular scheme or become a SHG member. In the present study, an effort has been made to know the age group wise representation of total as well as district wise respondents. The sample population is distributed by the age groups of below 30, 31-40, 41-50, 51-60 and above 60 years.

Table No. 1.3: Age-wise percentage of respondents and their average monthly household income (Rs.)

Age Group	No.	% age	Income*
Below 30	25	16.67	5560
31-40	61	40.67	7065
41-50	33	22.00	7303
51-60	20	13.33	8000
Above 60	10	6.67	6470
Total	150	100.00	6958

Source: Primary Survey *Average Monthly Household Income

The table no. 6.3 illustrates the age wise distribution of respondents of sample district of Punjab. It has been found that the largest proportion i.e. 40.67 percent belong to age group of 31 to 40 years. So, the data in the table as well as in the pie shows that, the majority of respondents in SHGs are found to be relatively young ones. Economic condition of respondents is such that average monthly income is various age groups it ranges from Rs. 5560 to Rs. 8000. It is quite obvious that young age group females are more active and ready to adopt more innovative ideas to earn income, start new businesses and accept challenges to attain more self-strength. No doubt, women in various age groups participate in SHGs under NRLM, but, the young and middle age group females more readily take risks for their social or economic development and have decision making power which leads them to increase their empowerment.

1.4 Educational level

Education is an effective tool to make people ready to become a member of the particular scheme and as well as for the working of SHGs because it increases capability, mental strength and knowledge of a person. It also creates self-dependent attitude, behavioral changes through personality development among people. Hence, the data regarding educational status of respondents (members of PSRLM/NRLM) has been presented in the table given below.

This table reveals the number and percentage of respondents on the basis their level of education. It shows that that the level of education of all respondents is such that 26.00 percent are illiterate, while 22 percent, 17.56 percent, 13.33 percent, 28percent, 8.67 percent and 1.33 percent have respectively Primary, Middle, Matriculation, Secondary level and Graduation of education.

Table No. 1.4: Number and percentage of respondents on the basis of level of education

Education	No.	% age
Illiterate	39	26.00
Primary	33	22.00
Middle	20	13.33
Matric	42	28.00
Secondary	13	8.67
Graduation	2	1.33
P.G	1	0.67
Total	150	100.00

Source: Primary Survey

Illiterate and less educated respondents are more, while less than two percent are highly educated respondents who work in the office of PSRLM/NRLM.

1.5 Social Group wise Status

NRLM scheme aims to cover 50 percent of the beneficiaries belonging to Scheduled Caste (SC) and Scheduled Tribes (ST), 15 percent of Minority group and 3 percent Persons with Disability (PWD) in a group.

Table 1.5 reveals the distribution of total respondents on the basis of community/social group. It reveals that out of total respondents the largest segment is of General category i.e. 36.00 percent, followed by the second largest segment of SC Category (34 percent) and then of OBC which is 30 percent. In the total only 2 (0.44 percent) are persons with disability. It thus shows that the members of the PSRLM can be of any social category however more than half belong to SC group.

Table No. 1.5: District-wise distribution of respondents on the basis of their community/social group and their average monthly family income (in Rs.)

Caste	No.	% age	Income*
General	53	36.00	9929
SC	50	34.00	7094
OBC	47	30.00	3796
Total	150	100.00	8204

Source: Primary Survey*** Average Monthly Household Income**

***Note: Two respondents belonged to PWD and both were of SC category in Gurdaspur.**

1.6 Status of Respondents in SHGs formed under PSRLM/NRLM

Data reveals the total number and percentage of respondents as per their status like group leader, cashier, secretary and other group members. It depicts that 31 (20.67 percent) respondents are group leader, 26 (17.33 percent) respondents are cashier and 19 (12.67 percent) secretary of the group, but large number i.e. 74 (49.33 percent) are simply group members amongst the total respondents.

Table No. 1.6: Status of respondents in SHGs and their average monthly household income in three selected districts

Status of respondents	No.	% age	Income*
Cashier	26	17.33	5019
Leader	31	20.67	7193
Member	74	49.33	7813
Secretary	19	12.67	5894
Total	150	100.00	6958

Source: Primary Survey***Average Monthly Household Income**

So, it is concluded that amongst the respondents a good part consists of group leader, cashier and secretary who play a significant role in the functioning of a SHG federation under PSRLM/NRLM. All these roles or status into SHG are rotated every year or after two years with in group members to provide them a chance for better working and group experience.

1.7: Family Occupation of the Head of the Household

Occupation of the head of the family also plays an important role in determining the overall status of other members and taking decision to become the group members. As a matter of fact, members especially women are motivated by family to join SHG and to avail benefit of cheaper group loans for purposes for which credit is otherwise not available without collateral and economic proofs etc. Table no. 1.7 reveals the distribution of sample respondents on the basis of occupation of the head of their families. The results show that the large number of respondents' families i.e. 51 (34.00 percent) belong to labour class.

Table No. 1.7: Occupation status of the head of the household

	No.	% age
Agriculture	27	18.00
Dairy Farming	3	2.00
Labour	51	34.00
Business	10	6.67
Self Employed	27	18.00
Govt. Employee	20	13.33
Others	12	8.00
Total	150	100.00

Source: Primary Survey

The second largest number of beneficiaries' families 27 (18.00 percent)) are engaged in agriculture and self-employment activity. It is also observed that 3 (2 percent) in Dairy farming occupation. In some of the families i.e. 20 (13.33 percent) male members/head of households are government employees and 10 (6.67 percent) male members are engaged in business activities. The remaining 12 (8 percent) families are engaged in other income generating activities.

1.8 Regular Saving by Respondents

Under PSRLM/NRLM, it is a compulsory for members to save in their SHGs and members get different kinds of financial and non-financial services from SHGs, federation and banks. Normally, the regular savings depend on the regular meetings held once in a month, two times a month, three times a month, four times a month, within six month or within one year (Ballem and Kumar, 2010) under NRLM, the group saving rates i.e. Rs. 50, Rs. 100, Rs. 150, Rs. 200 savings per member/per month should be done, taking into account the saving potential of the members.

Table no.1.8: Number and percentage of respondents on the basis of response to internal loan facility availed by them from group saving under NRLM

	No.	% age
Yes	147	98.00
no	3	2.00
Total	150	100.00

Source: Primary Survey

In the table no. 1.8, the data presents that a large number of 147 respondents comprising 98.00 percent of total respondents got internal loan from savings amount and it is found that only 3 respondents (2.00 percent) did not get any loan under PSRLM. So, all the respondents have also confirmed that they have used group savings for inter-loaning on interest rate fixed as per NRLM guidelines.

1.9 Revolving Fund and Community Investment Fund

1.9.1 Revolving Fund: Under NRLM, there is a provision of providing Revolving Fund (RF) of Rs. 10,000-Rs. 15,000 per SHG to support those SHGs which are in existence for a minimum period of 6 months and follow the norms of good SHGs i.e. Panchasutra. The purpose of Revolving Fund (RF) is to strengthen their institutional and financial management capacity and build a good credit history within the group.

Table No. 1.8: Respondents getting loan from Revolving Fund under NRLM

	No.	% age
Yes	22	14.67
No	128	85.33
Total	150	100.00

Source: Primary Survey

In the table no. 1.8, the data makes it clear that 128 (85.33 percent) respondents have not received loan from Revolving Fund, while only 22 (14.67 percent) respondents stated that they got loan from Revolving Fund (RF).

1.9.2 Community Investment Fund (CIF): NRLM provides Community Investment Fund as seed capital to SHG Federations at Cluster level to meet the credit needs of the members through the SHG/ Village Organizations and to meet the working capital needs of the collective activities at the various levels.

Table no. 1.9: Number of respondents getting loan from Community Investment Fund (CIF) under NRLM

	No.	% age
Yes	43	28.67
No	107	71.33
Total	150	100.00

Source: Primary Survey

In the table no. 1.9 the data about the loan taken by respondents from CIF is provided. It is found that 43 respondents comprising 28.67 percent of the total borrowed from Community Investment Fund. While, the large number i.e. 107 respondents (71.33 percent) did not avail any CIF under PSRLM. A comparison of sample respondents reveals that the larger number i.e. 43 respondents comprising 28.67 percent got the loan.

Problems faced by SHGs

1. Lack of Family Support
2. Lack of leadership
3. Lack of communication skills
4. Non co-operation from the group
5. Lack of social mobility
6. Conflicts among the group members
7. Lack of financial information
8. Insufficient loan

Conclusion

Under NRLM, the mobilization of Self Help Groups is an important way to help the rural poor women to acquire power for their self-supportive life and nation building efforts. This scheme not only empowers women by them directly benefiting through SHGs but also indirectly benefits the family and community. The main aim of NRLM is to cover one woman from each rural poor household under the Self Help Group (SHG) network. No doubt, there are male and female oriented self-help groups in India however in the case of males it is especially for PWD, but as far as Punjab is concerned, it is the females who control the SHGs under NRLM while the participation of males is negligible.

Social and economic profile of the respondents reveals that NRLM scheme is benefitting mainly women as only two are men amongst the total respondents. Rural poor married women readily take the membership of SHGs under the scheme. The scheme thus is beneficial for ever married as well as widow women. Comparatively, a

large number of widow women are members of PSRLM/NRLM in Gurdaspur district. No doubt, married women of all ages in Punjab are beneficiaries but, young women's participation is quite large. Mainly illiterate and less educated are the respondents. The largest share of the respondents is illiterate and have primary of education, which leads us to conclude that NRLM benefits less educated women more. Further, most of the women belong to SC community. However, General and OBC community women have also been taking the benefit of the mission. It is quite obvious that young females are more active and readily adopt innovative ideas to earn income, start new businesses and accept challenges to attain more self-strength. No doubt, women in various age groups participate in SHGs under NRLM, but, the young and middle age group females more readily take risks for their social or economic development and have decision making power which leads them to improve their livelihood. Majority of respondents have been attending regular meetings once in a month or twice in a month. They have been regularly saving some amount (Rs. 50, Rs. 100 or Rs. 150 per month) for future needs. NRLM scheme provides the affordable gainful reliable financial services to the rural poor and provides many financial services i.e. RF and CIF. These services are foundation to get loan to remove their poverty. Most of the respondents got loan from group savings but the lowest number of respondent's availed loan from RF. Many respondents have also faced many types of difficulties to get loan.

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