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## **Constraints Faced by Self-help Groups under Deendayal Antyodaya Yojana – National Rural Livelihood Mission in Uttarakhand State**

**Pratima Rana<sup>1\*</sup> and Neelam Bhardwaj<sup>1</sup>**

<sup>1</sup>*Department of Agricultural Communication, GBPUAT, Pantnagar, U.S. Nagar, Uttarakhand, India.*

### **Authors' contributions**

*This work was carried out in collaboration between both authors. Author PR designed the study, performed the statistical analysis, wrote the protocol and wrote the first draft of the manuscript. Author NB managed the literature searches. Both authors read and approved the final manuscript.*

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### **ABSTRACT**

After independence the main agenda for development of society was poverty alleviation. 26.1% of the total population lives below poverty line. Sustainability and improvement in the life of rural people is the main agenda of all developmental programmes. During that time all the development programmes implemented by the government were unified into one self employment programme referred to as *Swarna Jayanti Gram Swarozgar Yojana* (SGSY). The Ministry of Rural Development was determined to restructure the continuing SGSY into National Rural Livelihood Mission (NRLM). The main strategy was to encourage women in rural households to be part of Self-Help Group. Deendayal Antyodaya Yojana - National Rural Livelihoods Mission (DAY-NRLM) was launched in June 2011. The constraints were the restrictions SHG women members face in performing various functions in the SHGs. For the study purpose the interview schedule was prepared, women member (n=280) and government officials (n=20) were asked about the various constraints being faced by them. Based on the findings of the study, various constraints were Administrative constraints (majority of the respondents reported less number of working staff as a major constraint), Social constraints (reluctance of the members to take leadership role was the main constraint reported by

\*Corresponding author: E-mail: [partimarana.rana33@gmail.com](mailto:partimarana.rana33@gmail.com);

SHG members), Empowering constraints (lack of freedom to take decisions and lack of equal treatment were reported as the major constraints), Management constraints (lack of space was the major constraint) and marketing constraints (transportation problems and lack of market information were reported as the major constraints).

*Keywords: NRLM; self-help group and constraints.*

## 1. INTRODUCTION

Mahatma Gandhi rightly said 'India lives in villages' and its development lies in its innumerable villages. India is a country of heritage as majority of its population lives in villages and far flung remote areas. Around six Lac villages were scattered across India and 74% population accommodated in the rural society. In variety of countries and culture, people have organized themselves at the grass root level to find the various innovative solutions to a particular problem. Organizing the women at local level is a form of collective advocacy on behalf of a shared cause or direct action in the service of achieving a collective goal. Rural women living in India remain one of the most disadvantaged groups in society and they were the key agents for achieving the transformational economic, environmental and social changes required for sustainable development. But limited access to credit, health care and education were among many challenges they face, which were further aggravated by the global food and economic crises and climate change. Empowering them is the key, not only to the wellbeing of individuals, families and rural communities, but also to overall economic productivity, given women's large presence in the agricultural workforce worldwide. Globally, the disparity in the ratio of men to women is not significant, but women have less authority. According to Bill Clinton, women execute 66 percent of the world's work, produce 50 percent of the food; yet earn only ten percent of the income and own one percent of the world's property. About 70 percent of the world's poor were women. In addition, women have no or little access to resources and political power. Further, women were marginalized and generally face difficulty in accessing credit in the formal sector due to the demand for high levels of collateral [1,2,3].

Self-Help Groups (SHGs) were the informal associations of people who choose to come together to find ways to improve their living conditions. SHG is a homogeneous group of rural poor, voluntary governed to save whatever

the amount they can conveniently save out of their earnings and mutually to contribute to a common fund to lend to the members for making their production and emergency consumption credit needs". SHGs have the power to create a socio-economic revolution in the rural areas of our country. SHGs have not only produced tangible assets and improved living conditions of the members but also, helped in changing much of their social outlook and activities. In order to reduce poverty by enabling the poor household to have access to beneficial self employment and employment opportunities based on their skills. It provided livelihood on a sustainable basis, through building strong grass-root institutions of the poor (SHGs), as the main motive of most of the employment schemes. Thus, SHGs have been showing and paving the way ahead to alleviate the poverty of India along with empowerment. (NABARD, 2012)

The Genesis of Self-Help Groups in India can be traced to formation of Self-Employed Women's Association (SEWA) in 1970. The SHG-Bank Linkage Project launched by National Bank for Agriculture and Rural Development (NABARD) in 1992 has blossomed into the world's largest microfinance project. NABARD along with Reserve Bank of India permitted SHGs to have a savings account in banks from the year of 1993. This action gave a boost to the SHG movement and paved the way for the SHG-Bank linkage program. In 1999, Government of India (GoI) introduced Swarn Jayanti Gram Swarozgar Yojana (SGSY) to promote self-employment in rural areas through formation and skilling of SHGs. The programme restructured as a national movement in 2011 and became National Rural Livelihoods Mission (NRLM) – world's largest poverty alleviation programme. Today, State Rural Livelihood Missions (SRLMs) were operational in 29 states and 5 Union Territories (except Delhi and Chandigarh). NRLM facilitated access to the affordable cost-effective reliable financial services to the poor like financial literacy, bank account, savings, credit, insurance, remittance, pension and counselling on financial services. (Self Help Groups, March 11, 2019, DRISHTI).

The present study was an attempt to examine and evaluate SHGs as change agents which has been designed systematically to create income generating opportunities, identifying predominant factors of empowerment and knowing the level of empowerment among the SHG members in Uttarakhand. The component of livelihood and livelihood security were also highlighted. The results of the study would pave the way for policy makers to frame suitable policies and strategies for implementing such movements in other districts of State for the well being of rural people. The study was inspired by the fact that, despite considerable interest in SHG-based approaches to micro-finance, there were still various constraints being faced by the women members of SHGs. As there was limited literature available regarding the impact of SHGs established under NRLM, so this study has been taken up to give us the idea about the immediate outcomes of SHGs established under NRLM. The study outcomes also help to understand the constraints faced by SHG members at grass root level and help the mission directory to remove these bottlenecks for efficient functioning of these SHGs.

## 2. OBJECTIVE

The main objective of the study was

- To measure the various constraints faced by the SHG beneficiaries under DAY-NRLM.
- To enlist the various constraints being faced by the implementing agency of DAY-NRLM.

## 3. METHODOLOGY

The methodology was proposed by the authors. . The study was conducted for the period of three month (December 2019 to February 2020).The study was conducted in the Dehradun and Udham Singh Nagar districts of Uttarakhand state as these districts were high in SHG count. Subsequently two blocks from each district were selected for the study purpose having maximum number of SHGs in their respective areas. The lists of SHGs were collected from the Block Development Office of each block. Interview schedule was thoroughly examined, from the view point of appropriate analysis and discussed with experts before giving it a final shape for the research. All the relevant statements were collected and the schedule was verified by a team of expert. A panel of thirty experts from the GBPUAT University were contacted by the

researcher and their relevant advices and suggestions were incorporated in the interview schedule. The pretesting was done on thirty women members of SHG in *Rudrapur* block. Then, the necessary changes were made. The constraints were the limitations and the restrictions SHG women members face in performing various functions in the SHGs. For the study purpose the interview schedule was prepared. Women member (n=280) were interviewed and government officials (n=20) were asked about the various constraints being faced by them. The various constraints were classified as Social/family constraints defined as the social, cultural and family limitations which women members experience from their surroundings, additional responsibilities, gender related problems and other issues, Empowering constraints includes the various constraints which were important for the self confidence of the women members, independent decision taking, recognition by the society as well as family members, equal treatment by the family, Management constraints were the problems which SHG women members face when there is lack of funds, confusion regarding choosing an enterprise, no interest of other women members and not getting any assistance from the block, Marketing constraints were defined as the constraints faced in generating sufficient funds, marketing problem, raw material problems, market competition, market information, lack of machinery and equipments, Other constraints includes the problems which hinder and slow down the working of SHGs. It can be interpersonal trust, arguments, not participating or any other, Organizational/administrative constraints were the constraints on the part of the government official during implementation and working of the SHGs includes absentism, no proper record making, and no proper fund flow by the government etc. The data collected by interview schedule were ranked based on the frequencies.

## 4. RESULTS AND DISCUSSION

### 4.1 Constraints Faced by SHGs, its Members and Implementing Agency

Constraints faced by the women members of SHGs were recorded using an open ended interview schedule and were categorized as social/family constraints, empowering constraints, management constraints, marketing constraints, other constraints, administrative /organisational constraints. Rank was given

considering frequencies of the constraints being faced by women members.

#### 4.1.1 Social/family constraints

The data in the Table 1 indicates the various social/family constraints being faced by the women members of SHGs. The majority of the SHG member (87.50%) identified reluctance of the members to take up the leadership role as the major constraint followed by economically poor families of the SHGs members (71.78%), Perceived as defaulters in the society by the people instead of carrying dual responsibility (71.42%), lack of formal education (65.00 %), lack of family support to the women members (64.29%). Also non-cooperation by the family members (58.21%), viewed as social taboos (53.57%), attitude of the people towards working women (51.07%), lack of commitment from the group member (40.71%) and interference of family members in group decision (34.28%) were identified as the social constraints faced by the women members of the SHGs.

The findings of the study were in line with Kumaran [4], Bharathi [5], Chunera [6], Asha [7] who reported unprofessional attitude of the respondents, less education, time management, restriction from family to go far distance, members not taking responsibilities, lack of understanding and cooperation as major constraints faced by the SHG groups.

#### 4.1.2 Empowering constraints

Table 2 shows the empowering constraints identified by SHGs. The majority of the SHG members (92.85%) reported that lack of freedom to take decision regarding self travel was the major constraint faced by them followed by lack of equal treatment by male family members (74.64%) and negligence by other family members regarding decision taken by women about economic development. Lack of self-confidence (69.64%), lack of cooperation among members of SHGs (53.57%) and no permission of the head of the family to attend the meetings of SHGs (25%) were reported as the other empowering constraints faced by the women members of SHGs.

The findings of the study were supported by Kumaran [4] who found that lack of self-confidence among the group member was the main constraint. Gopalraju and Kumar [8] also reported that lack of co-operation among members and dual responsibilities being played

by the women member were the major constraints.

#### 4.1.3 Management constraints

The data in Table 3 reveals that 75 per cent of the women members of SHGs reported insufficient amount of financial assistance as per the activity or enterprise chosen out, 63.92 per cent lack space for working and 60.71 per cent were confused about the selection of entrepreneurial activity to be undertaken. Further it was also found that 36.07 per cent of the women reported poor monitoring and lack of technical guidance as a management constraint followed by unskilled women members of the group (35.71%) and lacks training on record maintenance (20.71%) respectively.

The results were in line with the study of Dhanya and Purushothaman [9] who found that lack of accounting skill, unskilled group members and selection of the activity were the major constraints. Bharathi [5] reported that problem of insufficient loans were majorly prevailing in the study area.

#### 4.1.4 Marketing constraints

It was observed from the Table 4 that majority of the women member (26.78%) faced the problem of transportation, infrastructure and space for working problem (18.21%), machine/equipment problem (14.64%) and lack of marketing facility(14.28%). Availability of raw material (10.71%), low production capacity (7.14%) and ineffective marketing strategies (3.57 %) were recorded as the other marketing constraints.

Similar results were also shown by Topare [10], Sowjanya [11], Krishnaveni *et al.* [12] who reported that marketing problems of the women members were the major constraints being faced the women members of SHGs. The various constraints related to marketing includes lack of transportation facility, lack of market information, lack of space, machine problem, lack of marketing strategies, less promotional activity used and marketing competition. Similar results were also shown by Shah [13].

#### 4.1.5 Other constraints

Some of the other constraints faced by the women members as depicted in Table 5 includes members arguments in every decision making matter reported by 96.40 per cent of the women, followed by 76.80 per cent of the women do not

actively take part in every activity and 71.40 per cent of the women do not use loan for the proper purpose as they use the loan for their personal needs. Only 53.57 per cent of the women members reported lack of interpersonal trust as a constraint.

The study was in conformity with the results of Kumaran [4] who reported that lack of trust among the members was the major constraint faced by the group. Also, Kalirajan and Singh [14] found that group members did not know how to use money except for consumption

purpose and lack of trust. It was also found that neither regular meetings nor awareness campaign were organized. Similar results were also shown by Shah [13].

#### 4.1.6 Administrative / organisational constraints

Table 6 reveals the various constraints being faced by the implementing agency. For this twenty government official working under the Block Mission Management Units (BMMUs) were

**Table 1. Distribution of women members on the basis of social/family constraints (n=280)**

Sr. no	Category	Frequency	Percentage	Rank
1	Lack of family support	180	64.29	V
2	Social taboo	150	53.57	VII
3	Defaulters	200	71.42	III
4	Lack of commitment from the group members	114	40.71	IX
5	Reluctance of members to take leadership role	245	87.50	I
6	Non-cooperation of family	163	58.21	VI
7	Lack formal education	182	65.00	IV
8	Economically poor family background	201	71.78	II
9	Interference of family members in group decision	96	34.28	X
10	Attitude towards working women	143	51.07	VIII

**Table 2. Distribution of women members on the basis of empowering constraints (n=280)**

Sr. no	Category	Frequency	Percentage	Rank
1	Negligence by the other family members regarding decision taken by women about economic development	200	71.42	III
2	Lack of freedom to take decision for self travel	260	92.85	I
3	Lack of equal treatment by male family member	209	74.64	II
4	Lack of co-operation among members of SHGs	150	53.57	V
5	No permission of head of the family to attend the meetings of SHGs	70	25.00	VI
6	Lack of self-confidence	195	69.64	IV

**Table 3. Distribution of women members on the basis of management constraints (n=280)**

Sr. no	Category	Frequency	Percentage	Rank
1	Poor monitoring and technical guidance	101	36.07	IV
2	Lack of space for working	179	63.92	II
3	Unskilled women group members	100	35.71	V
4	No exposure in record maintenance	58	20.71	VI
5	Insufficient amount of financial assistance as per the activity chosen out	210	75.00	I
6	Selection of entrepreneurial activity	170	60.71	III

**Table 4. Distribution of women members on the basis of marketing constraints (n=280)**

Sr. no	Category	Frequency	Percentage	Rank
1	Market competition	41	14.64	III
2	Problem of raw material	30	10.71	V
3	Transportation problem	75	26.78	I
4	Marketing problem	40	14.28	IV
5	Machine/equipment problem	41	14.64	III
6	Infrastructure problem	51	18.21	II
7	Ineffective marketing strategy	10	3.57	VII
8	Low production capacity	20	7.14	VI

**Table 5. Distribution of women members on the basis of some other constraints (n=280)**

Sr. no	Category	Frequency	Percentage	Rank
1	Lack of interpersonal trust	150	53.57	IV
2	Loan not used for proper purpose	200	71.40	III
3	Do not actively participate in a activity	215	76.80	II
4	Arguments in every matter	270	96.40	I

**Table 6. Distribution of women members on the basis of Administrative/organisational constraints (n=20)**

Sr. no	Category	Frequency	Percentage	Rank
1	Corruption	10	50.00	V
2	Fund flow	19	95.00	II
3	Staff is less	20	100.00	I
4	People were hesitant and unaware	15	75.00	III
5	Maintenance of registers	12	60.00	IV
6	Repayment capacity	08	40.00	VI
7	Absentism	05	25.00	VII
8	Record keeping	10	50.00	V

interviewed using an interview schedule and were asked to enlist the various constraints faced by them in implementing the NRLM programme. Cent per cent of the officials reported the constraints of less number of staff members for the programme followed by 95 per cent reported that the fund flow is slow and 70 percent reported that people were hesitant and unaware about the programme. Maintenance of registers (60%), record keeping (50%), repayment capacity (40%) and absentism (25%) were the other major constraints faced by the implementing agency personnel.

## 5. CONCLUSION AND SUGGESTIONS

The various constraints faced by the SHGs women members includes lack of family support to the women members, social taboo, lack of commitment from the group members, reluctance of the members to take leadership role, non-co-

operation of the family, negligence by other family members regarding decision taken by women, lack of freedom to take decisions, lack of equal treatment, lack of co-operation amongst members, inability to operate saving account, lack of appropriate time and venue of meeting, no permission of head of family, poor monitoring and technical guidance, lack of space, unskilled women group members, no exposure in record maintenance. The constraints faced by the implementing agency includes fund flow, faulty List of poor, lack of conducting proper social mobilization, maintenance of records, conducting of regular meetings, corruption, absentism, and staff is less. So keeping these constraints in mind the government should implement some policies and restructure the existing system to make credit flow and necessary services available to poor rural women and also help them by training and making them understand the group process and its importance in sustaining an enterprise. Also

sensitization of the rural people living in rural areas about these programmes was of utmost concern as people are not aware and are hesitant about the scheme especially family support which is crucial for the rural women in their empowerment. The Government have to play the role of as a facilitator and promoter to create a supportive and effective environment for the sustainable growth and development of the SHG movement. The government should expand SHG movement to credit deficient hilly areas to eradicate migration from the Uttarakhand state. Government functionaries should treat the poor and marginalized as viable and responsible customers and as possible entrepreneurs. The government need to establish a separate SHG monitoring cell in every block for effective performance of the SHGs formed under NRLM.

## CONSENT

As per international standard or university standard, participant's written consent has been collected and preserved by the author(s).

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## COMPETING INTERESTS

Authors have declared that no competing interests exist.

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