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## **A Comparative Study On Self Help Groups Under NRLM with special reference to Socio-Economic Profile of Eastern and Western Uttar Pradesh**

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### **Abstract**

India is a country wherein poverty eradication has become a major objective to achieve. The government of India along with NABARD and a few NGOs has started up with providing impetus to the growth of self -help groups in the country. The self-help groups witnessed an upsurge after the introduction of National Rural Livelihood Mission. The self -help groups are usually a group of 10-20 people that come together to mobilize their savings and invest into some income generating activities. The present study is focused towards finding out the status and growth of the self-help groups pre- NRLM and post-NRLM with special reference to socio- economic profile of eastern and western Uttar Pradesh.

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### **Introduction**

#### **National Rural Livelihood Mission**

National Rural Livelihood Mission (NRLM) was launched in June 2011 by Ministry of Rural Development, Government of India with an objective to cover seven crore rural poor households, across six hundred districts, six thousand blocks and six lakh villages with two lakh fifty thousand gram panchayats in the country through self-help groups and allied institutions and support them for sustaining their livelihood in eight to ten years. The National Rural Livelihood Mission was partly aided through the investment support by World Bank. The mission therefore aims at providing effective and efficient platforms for helping rural poor to enable them to increase household income through sustainable livelihood opportunities and easy access to financial services. The mission also aims to provide easy and better access to the poor towards their entitlements,



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rights, public services and social empowerment. The mission is focused towards harnessing the inner capabilities of poor and making them capable enough to participate in the growing economy of the country. The mission was renamed as DAY-NRLM i.e. Deendayal Antyodaya Yojana- National Rural Livelihood Mission in November 2015.

“The Ministry of Rural Development (MoRD), Government of India, constituted a Committee on Credit Related Issues under Swarnajayanti Gram Swarozgar Yojana under the chairmanship of Prof. Radhakrishnan to examine the various aspects of scheme implementation. The committee recommended adoption of the ‘Livelihoods Approach’ to eliminate rural poverty. The government accepted the recommendations of committee and restructured the Swarnajayanti Gram Swarozgar Yojana into National Rural Livelihood Mission in the year 2011. The committee also provided decisions which were aimed at achieving the Millenium Development Goals (MDG) by 2015. The framework for the implementation of National Rural Livelihood Mission was approved by Ministry of Rural Development on December 9<sup>th</sup>, 2010 and was formally launched on June 3<sup>rd</sup>, 2011”- Ministry of Rural Development.

The National Rural Livelihood Mission works for a period of 10 years till community federations take up the responsibility for the implementation. The funds are provided to the community institutions over the first four to five years. A typical block has around 13,500 poor households that are spread over 100-120 villages and are further divided into four clusters of 30 villages each. In every typical intensive block, the first three years are spent in organizing the poor and channelizing them to form self-help groups. The next three to six years are focused towards strengthening their activities and inclusion of various layers such as health, nutrition, interventions of person with disability etc. The last four years are focused towards continuation and withdrawal where the community institutions are trained for self- reliance and self- sustainability.

National Rural Livelihood Mission has made rural segment more empowered in availing healthcare and educational facilities. It has improved the income of the rural segment of the society which makes them eligible to purchase land for cultivating food crops, stop gender discrimination, early marriage, dowry system, and other types of ill practices prevalent in the society.



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## Self Help Groups

A self-help group comprises of about 10 to 20 people, normally women, from a common background, who work collectively to channelize savings and forming an organization. All the members contribute their savings for the group and the money collected can be used to provide loans to the members who are in need of finances. The entire procedure is focused towards developing savings habit among the members of the group. The calculation of the interest on the loan and the terms and conditions is decided by the team with the assistance of all the members of the group.

Although no ultimate date has been decided for the inception of SHGs, but the practice of small companies of rural and urban areas working collectively to form a savings and deposit organisation was in practice in India. In the early stages, NGOs performed an important role in pioneering the self-help group concept and in implementing the model. The endeavours of self-help groups helped to spread the movement across the country. The governments at the state level established revolving loan cash which was used for the purpose of funding the self-help groups. The self-help groups were seen through governments and NGOs to be more than just a financial intermediation, working on different issues by the 1990s period. The spread of self –help groups influenced the formation of SHG Federations which are a more state-of-the-art form of corporation that involve a number of self-help groups that are formed into Village Organizations (VO) / Cluster Federations and then subsequently into higher stage federations (called as Mandal Samakhya (MS) in SHG Federation). SHG Federations are formal institutions whilst the self-help groups are informal. Most of the SHG federations are registered as societies, mutual benefit trusts and collectively aided cooperative societies. These federations have provided for several key advantages including strong political and advocacy capabilities, sharing of information and experiences, economies of scale and access to increased capital.

An SHG Federation is a formal team of informal common-interest groups. As a result of the members being in an informal group, there are constraints that arise within the group. Firstly, it results in biased self-governance, improper management, and poorly defined systems and methods. Simultaneously, there is high financial charge to organize and register an SHG Federation which has been estimated to be about Rs. 7,000 per member of the self- help group.



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Self-help groups are enhancing participation of women in political parties, improving literacy related to finances, providing knowledge and cognizance of administrative facilities, aiding involvement in decision-making and expanding the mobility. According to the World Bank, this scheme has also supported rural female to have active participation in self- help groups. A 20.4% rise in a range of self-employment was noticed between 2011 and 2017 by learn World Bank. India has 6.9 million self-help groups which has about 75 million members as on May 2021.

The self-help groups offer the plan of action to conduct social intermediation, grant women the chance to accumulate the ability and entitlement to their own lives, work towards their personal goals, gain skills, clear up problems and improve autonomy. Significantly, the members of self-help groups can also showcase the following outputs, ensuing from their activities:

- a) Access to literacy and other skills;
- b) Knowledge of basic legal rights;
- c) Awareness of tasks and state developmental activities;
- d) Awareness of critical political consciousness; electoral process, gender issues etc.;
- e) Enhanced social relations;
- f) Freedom from exploitation by cash lenders, landlords etc;
- g) Active involvement in constituting a team or political bodies like Panchayats;
- h) Improved role of females in family decision making;
- i) Health consciousness;
- j) Ensuring effective time utilization and time management by members;

## **Socio Economic Profile of Uttar Pradesh with special reference to Eastern Uttar Pradesh and Western Pradesh**

“Uttar Pradesh is India’s most populous state. It has a populace of about 199,812,341 as per the 2011 census. Uttar Pradesh could be the world's fifth most populous nation, if it was a country, subsequent only to China, India, the United States of America and Indonesia. There is a common populace density of 828 persons per km<sup>2</sup> i.e. 2,146 per sq.mt. The capital of Uttar Pradesh is Lucknow. Hindus and Muslims reflect on consideration on the state as a holy place. Total region of Uttar Pradesh is 243,286 Sq.km. Density of Uttar Pradesh is 829 per sq.km which is approximately thrice the National average 382 per sq.km. The Literacy rate of Uttar Pradesh is 67.68 p.c which is



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decrease than the all India common of 68.84%. The country has 122,000 diagnosed schools with principal and upper major grades. The kingdom is having total enrolment of 93 percent at the primary level. The training department of the state pays specific interest to the improvement of fundamental schooling in Uttar Pradesh. The authorities have additionally launched the district foremost schooling application for making education compulsory and free for all students up to a certain age limit. It has additionally taken up countless measures for checking the rate of dropouts in Uttar Pradesh. The uniform structure of 10+2 schooling is followed in the schools of the state. Uttar Pradesh is very sturdy in the agriculture and is considered as the agriculture capital of India. This is partly due to the fertile regions of the Indo-Gangetic and partly due to proper irrigation measures such as the canals and tube-wells.

Western Uttar Pradesh is greater advanced in agricultural practices as compared to the different areas in the state. Majority of the country's population depends upon farming activities. Wheat, rice, pulses, oil seeds and potatoes are the foremost agricultural products. Sugarcane is the most essential cash crop of the state. Uttar Pradesh is one of the most vital country in India as far as horticulture is concerned.

Spread of Uttar Pradesh is more in East-West route which begins from Ballia in East to Ghaziabad in west. Uttar Pradesh is in the north of mainland India. North- South dimension is nearly 200–250 km while east-west dimension is 700–800 km. Eastern and Western areas of Uttar Pradesh have different socio-economic-cultural identity. Languages change as you go from east to west. Eastern regions have a mix of Bhojpuri-Awadhi while Western regions have a combination of braj and khariboli. Amount of rain fall additionally decreases from east to west which causes differences in the crop pattern and meals. People in the eastern region choose rice at lunch and roti at dinner while those in the western region primarily consumeroti both at lunch and dinner. The western region has demographic, financial and cultural patterns that are distinct from different parts of Uttar Pradesh, and greater closely resemble those of Haryana and Rajasthan states. Western Uttar Pradesh has skilled speedy monetary growth, in a fashion comparable to Haryana and Punjab, due to the success of the Green Revolution. Western Uttar Pradesh shares borders with the states of Uttarakhand, Himachal Pradesh, Haryana, Delhi, Rajasthan and Madhya Pradesh, as properly as a short global border with Nepal in Pilibhit district. Eastern Uttar Pradesh is much less developed than Western Uttar Pradesh in terms of per capita earnings.”

*(Source: Wikipedia and forestclearance.nic.in)*

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The districts in Eastern and Western Uttar Pradesh are highlighted as under:

## Eastern Uttar Pradesh

Allahabad, Ambedkar Nagar, Amethi, Azamgarh, Bahraich, Ballia, Balrampur, Basti, Chandauli, Deoria, Faizabad, Ghazipur, Gonda, Gorakhpur, Jaunpur, Kaushambi, Kushinagar, Maharajganj, Mau, Mirzapur, Pratapgarh, Sant Kabir Nagar, Sant Ravi Das Nagar, Shravasti, Siddharth Nagar, Sonbhadra, Sultanpur, and Varanasi

## Western Uttar Pradesh

Agra, Aligarh, Amroha, Badli, Baghpat, Bareilly, Bijnor, Bulandshahr, Etah, Firozabad, Gautam Buddha Nagar, Ghaziabad, Hapur, Hathras, Kasganj, Mainpuri, Mathura, Meerut, Moradabad, Muzaffarnagar, Pilibhit, Rampur, Saharanpur, Sambhal, Shahjahanpur, Shamli

### Objectives of the Study

The study focuses upon fulfilling the following objectives:

- To find the number of self-help groups in Eastern Uttar Pradesh post-NRLM and pre-NRLM
- To find the number of self-help groups in Western Uttar Pradesh post-NRLM and pre-NRLM
- To compare the number of self-help groups in Eastern and Western Uttar Pradesh
- To study about the socio-economic profile of Uttar Pradesh with special reference to Eastern and Western Uttar Pradesh

### Research Methodology

The data for the present study was collected through the secondary sources. The number of self-help groups in various districts of Uttar Pradesh was available through the official site of National Rural Livelihood Mission which was further classified and summarized as per the requirement of the study by the author. The socio-economic profile of Uttar Pradesh with special reference to eastern and western regions was also collected through various reports and data published by government sources.



## **Findings of the Study**

Uttar Pradesh stands fourth with a total of 6,68,144 self-help groups after West Bengal being the top with a total of 10,41,775 followed by Bihar at the second spot with a total of 10,23,751 self-help groups and Andhra Pradesh being the third in the list with a total of 8,20,669 self-help groups. The data interpretations show that the number of self-help groups were more in Eastern Uttar Pradesh in comparison to Western Uttar Pradesh. Despite the fact that the western regions of Uttar Pradesh have majority of marginalised population, the role of NRLM in involving these sections to eliminate poverty is quite negligent. Since the per capita earnings of western regions of Uttar Pradesh it may be assumed that this region has other means of livelihood for the people living here in comparison as to those living in the eastern region of Uttar Pradesh. The eastern region of Uttar Pradesh has relatively lower per capita earning in comparison to the western regions which could be one of the probable reasons to motivate the rural poor to come up together and form self-help groups to indulge into some income generating activities and channelize their savings. It may be rightly observed that the rural poor especially women in the eastern part of the state are all the more concerned towards improving their financial conditions and becoming socio- economically empowered with the help of formation of the self- help groups.

The tables given below clearly provide an overview of the current status of the number of self-help groups working in Eastern Uttar Pradesh and Western Uttar Pradesh respectively.



The status of self-help groups in Eastern Uttar Pradesh:

DISTRICT	NEW SHG	REVIVED SHG	PRE- NRLM SHG	SUB TOTAL	TOTAL MEMBERS
Ambedkar Nagar	10616	56	930	11602	129566
Amethi	4205	759	1617	6581	67682
Ayodhya	7026	109	34	7169	71477
Azamgarh	16176	121	2101	18398	199335
Bahraich	15316	37	665	16018	173015
Ballia	6437	548	1362	8347	94134
Balrampur	7894	2	588	8484	87257
Basti	13224	150	1000	14374	152812
Chandauli	9583	106	741	10430	113781
Deoria	14032	160	835	15027	158476
Ghazipur	5325	368	704	6397	71340
Gonda	6748	0	2252	9000	93781
Gorakhpur	14753	427	1908	17088	186110
Jaunpur	9717	292	2833	12842	139918
Kaushambi	3713	51	230	3994	40671
Kushi Nagar	6551	402	584	7537	83623
Maharajganj	7087	433	2153	9673	101423
Mau	6201	88	484	6773	71397
Mirzapur	11603	275	819	12697	136747
Pratapgarh	8059	239	1622	9920	106407
Prayagraj	16669	138	3956	20763	225403
Sant Kabeer Nagar	5371	95	346	5812	65169
Shravasti	3323	92	1302	4717	44551
Siddharth Nagar	10701	97	612	11410	121715
Sonbhadra	9900	243	1713	11856	130133
Sultanpur	10440	1548	3075	15063	153257
Varanasi	9384	187	745	10316	117532
<b>Total</b>	<b>250054</b>	<b>7023</b>	<b>35211</b>	<b>292288</b>	<b>3136712</b>

Table1- Source: NRLM Website and Author's Interpretations





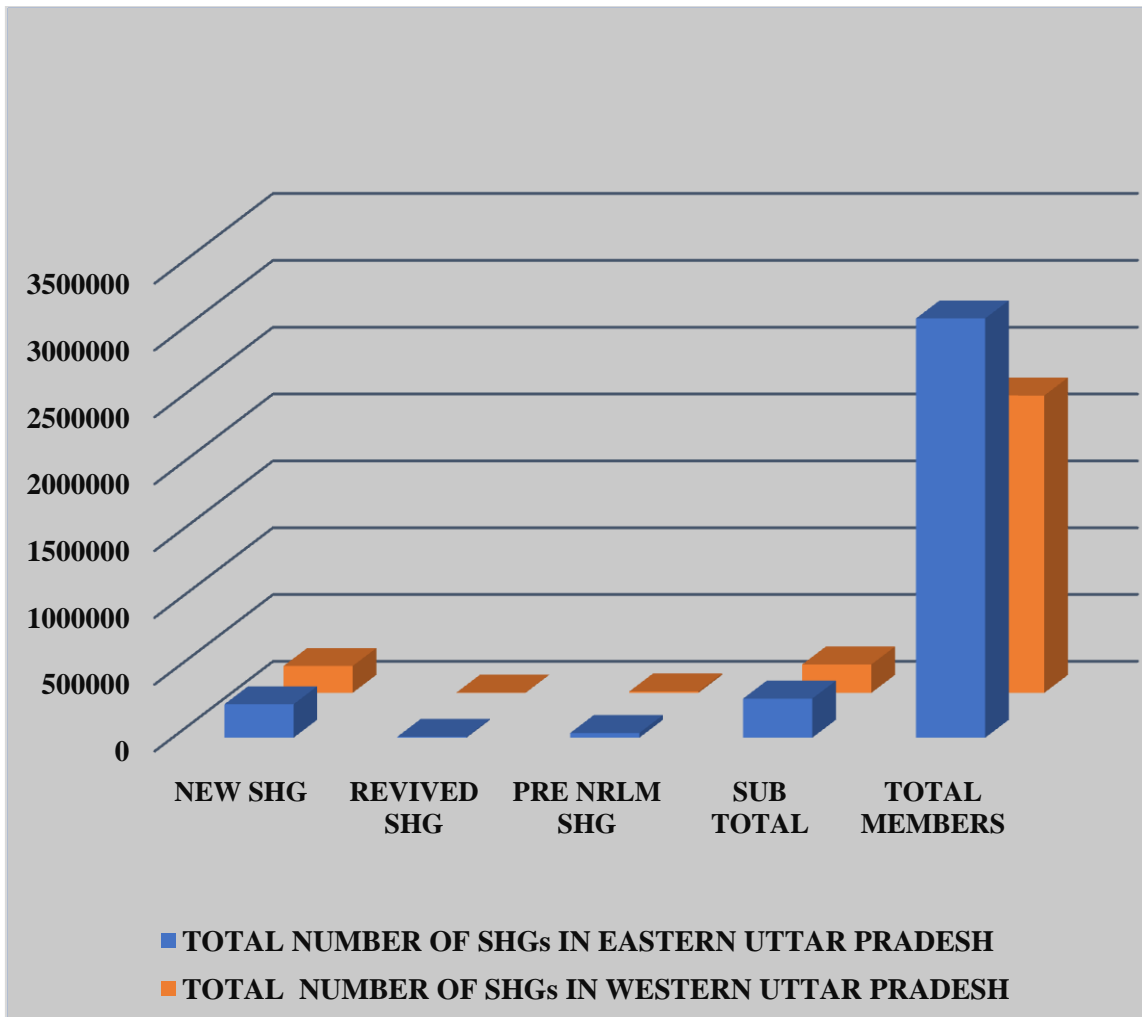
The status of self-help groups in Western Uttar Pradesh:

DISTRICT	NEW SHG	REVIVED SHG	PRE NRLM SHG	SUB TOTAL	TOTAL MEMBERS
Agra	12591	18	1120	13729	153018
Aligarh	13439	117	792	14348	155728
Amroha	4744	63	50	4857	51189
Auraiya	7770	104	397	8271	83725
Baghpat	4870	0	297	5167	53378
Bareilly	9250	70	258	9578	101597
Bijnor	14072	32	112	14216	152975
Budaun	17255	84	400	17739	177186
Bulandshahr	7029	23	524	7576	79735
Etah	5385	15	25	5425	55927
Etawah	8341	46	388	8775	89521
Farrukhabad	3818	37	119	3974	41849
Firozabad	5876	51	238	6165	65484
Gautam Buddhanagar	1615	2	23	1640	16451
Ghaziabad	2655	7	72	2734	28095
Hapur	2956	6	103	3065	34002
Hathras	2788	94	131	3013	31863
Kannauj	5649	7	1275	6931	71778
Kasganj	3314	0	180	3494	37705
Mainpuri	9088	64	614	9766	100365
Mathura	3900	7	91	3998	42078
Meerut	6219	136	32	6387	63979
Moradabad	7153	26	479	7658	80960
Muzaffarnagar	5039	40	203	5282	55671
Pilibhit	4931	107	521	5559	59229
Rampur	4403	50	242	4695	51130
Saharanpur	7853	75	565	8493	89943
Sambhal	5421	13	109	5543	57786
Shahjahanpur	8039	306	526	8871	87946
Shamli	4958	27	174	5159	53665
<b>Total</b>	<b>200421</b>	<b>1627</b>	<b>10060</b>	<b>212108</b>	<b>2223958</b>

Table 2- Source: NRLM Website and Author's Interpretations



## Graphical Representation of Self Help Groups in Eastern and Western Uttar Pradesh



Source: Author

### Conclusion

The results of the present study revealed that the eastern regions of Uttar Pradesh have more number of self-help groups in comparison to those of the western regions of the state. The formation of self-help groups is viewed as way of eradication rural poverty, providing financial assistance to the members, channelizing their savings, helping them to involve in to income generation activities and above all making rural poor especially women self- dependent and self-sufficient. They are involved in different working activities like agricultural activities, animal rearing, and other entrepreneurial activities to generate income. Post-NRLM women have come forward and formed self-help groups for their economic growth and well-being of their families.



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