Research Paper

Analysis of the Structure and Economic Activities of Self Help Groups under Bank Linkage Programme In the State of Kerala

Anitha P[1], Dr. K P Saraswathy Amma[2]

[1]Research Scholar, Bharathiar University
[2]Professor, FISAT Business School, Angamaly, Ernakulam

Corresponding Author: Anitha P

ABSTRACT

The Self Help Groups Bank linkage (SHGBLP) programme has expanded at a fast pace in India to evolve into the largest microfinance programme in the world, and is the main microfinance programme in India. The study was undertaken to understand the structure and economic activities of Self Help Groups in the State of Kerala. The objectives of the study were to explore the general attributes, to examine the governance aspects and to analyse the economic and marketing activities of group members after joining Self Help Groups. The Study revealed that the beneficiaries of Self Help Groups are mainly women with low income and the major objective of forming group is to promote savings habit among its members, followed by improving the economic status. They maintain good governance, have written rules and regulations, maintain book of accounts, meet regularly, elect their leaders and have transparency in operations, and have no major disagreements among members. Though majority of SHGs participated in the trade fairs or exhibitions organised by Government or NGOs or others, they do not engage in any income generating socio-economic activity. There is need for identifying training agencies and improving the training facilities for undertaking productive or income generating economic activities by the SHGs. They face problems in marketing, challenges being lack of knowledge and pricing. The study reveals that there is need for improving the knowledge of SHG members towards marketing activities, with governmental, NGO and Bank facilitation.

Key Words: Self Help Groups, Bank Linkage Programme, microfinance, general attributes, governance, economic, marketing, training, government, NGO, bank, facilitating, income generation, productive use

INTRODUCTION

"SHGs, saving for the present, securing the future"
 - NABARD

Self Help Groups of India has emerged as the world's largest and most successful network of Community Based Organisations. The main goal of an SHG is to elevate the living conditions of the rural poor with maximum emphasize on women. The Self Help Groups Bank linkage (SHGBLP) programme which started simply as a bank outreach programme, spearheaded by NABARD with the support of Reserve Bank of India and the G.O.I., in 1992, through the passage of time slowly metamorphosed into a holistic programme for financial, economic, social and of late, technological capital building in rural areas. Thus the SHG-Bank Linkage Programme (SHGBLP) has expanded at a fast pace in India to evolve into the largest microfinance programme in the world, and undoubtedly,

it is the main microfinance programme in India. Over the period of 25 years, the SHG Bank Linkage Programme has grown rapidly and at present more than 100 Scheduled Banks, 349 District Co-operative Banks, 27 State Rural Livelihood Missions and over 5000 NGOs are engaged in promoting Self Help Groups. As on 31 March 2018, the total number of SHGs saving linked with banks stood at 87.44 lakh and the total number of SHGs having loans was 50.20 lakh with outstanding loan of Rs.75,598 crore. The total number of SHGs linked was 2.96 lakhs, total number of SHGs having loans was 1.74 lakhs with loan outstanding of Rs. 3723 Cr, as on 31 March 2018, in the State of Kerala, were the study is conducted. (Source: Status of Microfinance in India 2017-18, NABARD)

Even though SHGs have emerged as an alternative developmental strategy to promote common interest of the weaker and vulnerable section of the society and have contributed to the empowerment of the poor women, an array of problems confront the SHGs, including improper selection of group activities, lack of proper organisation structure and documentation, lack of cooperation and zeal among the members of the group, non-availability of adequate amount of raw materials, lack of demand of the products, lack of training and lack of marketing facilities (Rao, 1999; Tatti, 1999; Reji, 2002 and Anand, 2004, L.Joy etal 2008). [1] With this background, a study was undertaken to understand the structure and functioning of SHGs in the State of Kerala. The study explored the finer aspects of the structure of SHGs in Kerala including general attributes and governance aspects and their marketing activities.

Majority of the previous research works have concentrated on the influence of SHGs in empowering a particular sector of the society. Very few studies have gone for an exhaustive inspection of SHGs in the state of Kerala to identify the structure and functioning of the same. This will be extremely helpful to the development agencies, such as banks, NGOs and Govt.

Agencies involved in the process of rural development to frame policies in such a way as to improve the efficiency of these SHGs.

Self-Help Group refers to self-governed, peer controlled, informal group of people with same socio-economic background and having a desire to collectively perform common purposes. Here poor people voluntarily come together to save whatever amount they can save conveniently out of their earnings, to mutually agree to contribute to a common fund and to lend to the members for meeting their productive and emergent needs. SHGs have been able to mobilize small savings either on weekly or monthly basis from persons who were not expected to have any savings. They have been able to effectively recycle the resources generated among the members for meeting the emergent credit needs of members of the group. SHG is a group formed by the community women, which has specific number of members like 15 or 20. In such a group the poorest women would come together for emergency, disaster, social reasons, economic support to each other have ease of conversation, social interaction and economic interaction. SHGs are small informal associations created for the purpose of enabling members to reap economic benefit out of mutual help, solidarity, and joint responsibility. The group-based approach not only enables the poor to accumulate capital by way of small savings but also helps them to get access to formal credit facilities (Shylendra, 1998). [2] These groups by way of joint liability enable the poor to overcome the problem of collateral security and thus free them from the clutches of moneylenders. The joint liability not only improves group members' accessibility to credit, but also creates mechanisms like peer monitoring leading to better loan recoveries (Stiglitz, 1993). [3] Besides, some of the basic characteristics of SHGs like small size of membership and homogeneity of composition, bring about cohesiveness and effective participation of members in the functioning of the group (Hussain Z. et.al., 2014). [4]
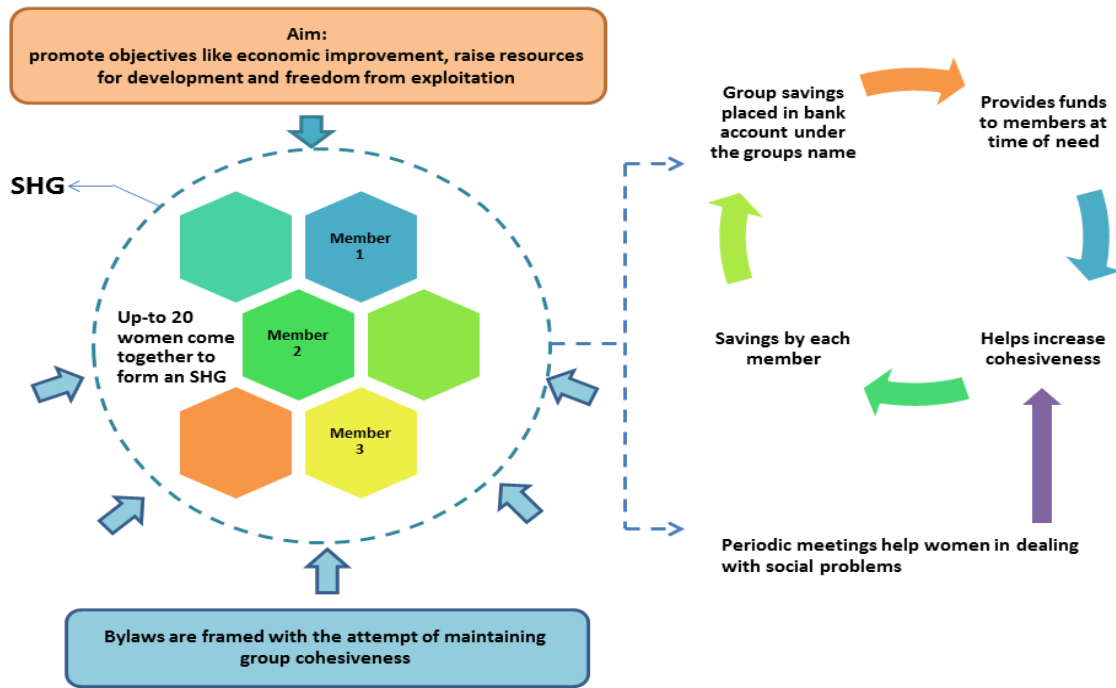
Fig 1: Pictorial Representation of Functioning of SHGs.

MATERIALS AND METHODS

The phases of research adopted for the study were Exploratory Research, Descriptive Research and Casual Research. The objectives were finalised by an exploratory research involving literature reviews, the opinion of focus groups (involving SHG members, co-ordinators, Kudumbasree authorities, NGO Officials, Bank managers). Exploratory research is designed to explore the research questions and to ascertain the nature of the problem; this type of research is not meant to provide conclusive evidence but helps to have a better understanding of the problem (Saunders & Thornhill, 2012). [5] Qualitative approaches such as informal discussions with group leaders, bank managers, authorities etc. followed by more formal approaches through in-depth interviews with experts and pilot studies constituted this phase. This exploratory phase of the study helped define the problem, in finding the nature of data required for the research and to identify relationships between variables under study to develop the theory to be tested.

The predominant methodology used in this study was descriptive research. It involves gathering data that describe events and then organise, depict, tabulate and describe the data collected (Glass & Hopkins, 1984). [6] Descriptive studies are used for making specific predictions and are rigid, preplanned and structured, typically based on large sample sizes (Hair et al., 1998; [7] Churchill & Iacobucci, 2004 [8]). The current study uses a cross-sectional time horizon which involves the collection of the information from the sample of population elements only once.

Causal research or explanatory research was carried to identify the extent and nature of cause-and-effect relationships. Causal studies concentrate on an analysis of a situation or a specific problem to explain the patterns of relationships between variables (Babin, Carr, Griffin & Zikmund, 2012). [9]

Survey Method: According to Kerlinger and Lee (2000), [10] the survey research method enables the researchers to collect efficiently a great deal of information from a large population. The research used a survey method, using a structured questionnaire administered through personal contact method. The data was collected from the members of SHGs

under SHG- Bank linkage model and NHGs of Kudumbashree in various districts of Kerala.

Questionnaire Design: The literature review, discussion with the focus group and pilot study enabled selection of appropriate measurement scales, question wording & content, response format and the sequence of questions. In general, questionnaire questions should be kept simple, concrete, specific and short. It is preferable to avoid: negative words, suggestions, reading questions, two questions in one, broad concepts, and unfamiliar words (Belson1986), [11] sensitive questions, loaded questions and memory questions (Iarossi, 2006). [12] The questions for the study were prepared considering the above. The questionnaire in this study was designed as closed-end questions where the respondents have to make their response on a 5 point Likert scale varying from 'Always' to 'Never' and 'Strongly agrees' to 'Strongly Disagree'. The 5 point Likert scale was adopted since it yields higher reliability coefficients with fewer items than the scales developed using other methods (Hayes, 1998). [13] The scale also offers a high probability of responses that accurately reflect respondent opinion under study (Zikmund, 2000). [9] The scale has also been extensively used in market research and has been widely tested in both marketing and social science (Garland, 1991). [14]

Demographic questions related to Age, Gender, Educational Qualification, Marital Status, Religion, Occupation etc. were included. One of the major objectives of the study was to identify the comparative perception of various factors. 'Yes'/'No' Questions were used to assess functional areas.

The layout of the questionnaire was designed into three sections namely I, II and III. Part-I consisted of 12 items to assess demographic, income and occupation details. Part II had 19 items to measure the perception of SHGs on Training. Part III had 10 items to assess Economic activity and marketing. Malayalam version of the schedule was prepared since most of the respondents were familiar with Malayalam.

Sampling Design: All women SHG groups who have availed bank loan under Bank-linkage Programme in the country form the population of the study. The study is conducted in the state of Kerala and represents the population, since there is substantial SHG activity in the state. Though the population is finite, it is not manageable and approachable hence a sample survey method is ideal to draw conclusions about the population. The sample contains SHG groups with women members and individual SHG member who are female/different income groups/different education/different geographical area/ different occupation etc in the state of Kerala. Women SHG group and a member of a Women SHG forms the sampling unit for the study. The study adopted a judgement based sampling approach to select the clusters of SHG members in different districts, who have availed loans from the major Banks in the State and then opt for the lottery method to form the final sample. Later at the stage of analysis, the randomness of variables of data is expected to be tested using statistical procedures that include tests for normality, randomness, independence of observation etc.

The sample of SHGs were identified from the entire state of Kerala, by identifying the major banks that have highest value of loan outstanding in various districts spread across Kerala, by conducting an analysis of secondary data. The four districts, namely Thiruvananthapuram, Alleppey, Ernakulam and Palakkad spread across Kerala were selected for sample collection. The samples of SHGs from the beneficiaries of loans from these banks were selected randomly. Such sample represents the beneficiary of the highest amount of credit from banks.

Data Collection Data regarding the SHG structure, documentation, corporate governance, internal team work and consistency, orientation training, skill development training and marketing

activities were collected using a suitably framed questionnaire. The primary data were supplemented by information collected from discussions with Kudumbasree officials, Bank managers, Kudumbasree CDS unit leaders, representatives of NGOs, locals and through direct interviewing the respondents' of the sample units.

Sources of Data: The study employed both primary and secondary data sources. The primary data was collected through a sample survey using structured pre-tested questionnaire from SHG members in the various districts of Kerala. The data was collected with a structured questionnaire after meeting the respondents personally and explaining to them the purpose of the study. The respondents were selected on a random basis. The major banks that have highest value of loan outstanding was selected from secondary data of District wise loan details in Kerala State obtained from State Level Bankers Committee, through personal interview with the officials at their office at Thiruvananthapuram. The data was analysed and the major banks that have highest loan outstanding was tabulated district-wise. This was conducted to find out the highest beneficiaries of bank loan, since such sample will represent the highest level of utilisation of credit. Through the analysis of this secondary data, the five districts, namely Thiruvananthapuram, Alleppey, Ernakulam and Palakkad spread across Kerala were selected for sample collection.

The randomness in collection of data was achieved, as a selection from all the group leaders at the time of visit was purely by chance and not by prior decision. 110 respondents (SHG Groups) from 4 districts of Kerala who availed loans from various Commercial banks were obtained.

The respondents were met in the premises of offices of Kudumbasree and NGOs, meeting halls or the houses of individual members and only those who offered a willingness to participate in the survey were considered. Malayalam version of the schedule were distributed to the members of SHGs present on a particular day and collected back after the completion on the same day, or on a different day through revisit. The schedules were cross checked for completeness and the correctness of their responses and only such response sheets were taken up for further analysis.

Statistical Methods

The quantitative analysis was conducted by simple scoring method and using basic statistical parameters like percentage, mean and standard deviation, using spread sheet and SPSS software. The variables were tested for validity and reliability. The method adopted was the use of narrative summaries in understanding the results. The research was of descriptive nature involving assessment of identified variables using analysis of influencing factors, determined through earlier studies.

The measurement of the following variables were undertaken, which is tabulated below:

Table 1. Measurement Of Role And Functioning Of SHGs

S.No	Items to measure	Variables
1	Demographic profile	General Attributes
2	Social Profile	
3	Financial Aspects	
4	Economic Aspects	
1	Rules and regulations of SHGs	Governance Aspects of SHGs
2	Meetings of SHGs	
3	Mode of elections	
4	Transparency in operations	
5	Documents of SHGs	
6	Custodian of Documents & Updation of documents	
7	Involvement of members in decision making process	
1	Nature of socio-economic activities undertaken	Economic and Marketing Activities of SHGs
2	Trainings offered to undertake socio – economic activities	
3	Identification of training agencies	
4	Type of available markets	
5	Problems faced by SHGs while marketing products	

RESULTS

The result of the analysis of each of the variables under study, namely General Attributes, Governance Aspects and Economic and Marketing Activities, are presented in tables with brief narration of the result.

Table 2: Distribution of members based on demographic and social profile

District	No.of SHGs	Number of Members	OBC	SC	ST	General	Unmarried	Married	Widow	Divorced	Below 10th std	10th pass	12th pass	Degree
Thiruvanan-thapuram	45	724	458	41	2	221	9	635	78	5	442	169	75	41
Alapuzha	30	405	405	0	0	0	0	403	2	0	56	153	123	73
Ernakulam	8	161	60	6	1	104	4	130	24	3	47	51	29	18
Palakkad	27	422	206	89	0	127	4	393	53	3	251	87	62	22
TOTAL	110	1712	1129	136	3	452	17	1561	157	11	796	460	289	154
Percentage			66	8	0	26	1	91	9	1	46	27	17	9

Table 2 explains the distribution of SHGs and members (district wise) based on the caste, marital status and educational qualification. Total of 110 SHGs were included in the sample, out of which 45 are from Thiruvananthapuram, 30 were from Alappuzha, 8 were from Ernakulam and 27 were from Palakkad. The total number of members belonging to these SHGs is 1712, out of which 724 are from Thiruvanandapuram, 405 from Alapuzha, 161 from Ernakulam and 422 from Palakkad. Majority of the members (1129) belong to the OBC category. 66% belong to OBC and 26% general. SC and ST members were negligibly low. Regarding the marital status, 1561 members were married (91%) .

Educational qualification of 46% was 10th standard, 27% 10th pass, 12% 12th pass and 9% degree holders. Hence, it may be concluded that the members had considerably good literacy levels.

Table 3: Distribution of SHGs based on districts and linked banks

		District				Total
		Alappuzha	Ernakulam	Palakkad	Thiruvananthapuram	
Bank	Canara Bank	0	1	27	9	37
	Indian Overseas Bank	0	0	0	19	19
	Kerala Gramin Bank	0	2	0	0	2
	Union Bank	22	3	0	0	25
	Bank of India	0	2	0	0	2
	Dhanalakshmi Bank	8	0	0	0	8
	Syndicate Bank	0	0	0	3	3
	State Bank of India	0	0	0	13	13
	Indian Bank	0	0	0	1	1
Total		30	8	27	45	110

Among the four districts covered in the sample, there were nine link banks identified. The SHGs of Thiruvananthapuram were linked to Indian Overseas Bank - 19, State Bank of India - 13, Canara Bank – 9, Syndicate Bank – 3 and Indian Bank – 1. The SHGs of Alapuzha were linked to Union Bank – 22 and Dhanalakshmi Bank – 8. Canara Bank, Kerala Gramin Bank, Union Bank and Bank of India catered to the needs to SHGs in Ernakulam district. Canara Bank was the prominent link bank for SHGs in Palakkad.

Table 4: Distribution of members of SHGs across districts based on Income

District	Number of Members	I1 Income less than 25000	I2 Income 25001 to 50000	I3 Income 50001 to 100000	I4 Income more than 100001
Thiruvananthapuram	724	482	142	100	0
Alapuzha	405	402	2	1	0
Ernakulam	161	66	58	26	11
Palakkad	422	349	54	12	7
TOTAL	1712	1299	256	139	18
Percentage		76	15	8	1

The table above (Table 4) explains the distribution of members based on their income level. It was found that 76% had income upto Rs. 25,000, 15 % between Rs. 25,000 and Rs. 50,000, 8 % upto Rs. 1,00,000 and meagre 1% above Rs. 1,00,000.

From the table 5 above, we can see that most of the SHGs had multiple objectives while they were formed. 75.5% of SHGs were formed with an objective to promote savings habit among its members, followed by 70% with an objective to improve the economic status. 64.5% aimed at obtaining financial support, whereas 59% aimed at improving social status. Only 30% had the objective to facilitate community development.

Table 5: Distribution of SHGs based on the objective with which they are formed

Objective	No. of SHGs	Percentage
To improve social status	65	59.0%
To improve economic status	77	70.0%
To promote savings habit	83	75.5%
To obtain financial support	71	64.5%
To facilitate community development	33	30.0%

Table 6: Rules and Regulations of SHGs

Nature of Rules				Updation of rules			
Oral	Written	Don't Know	Total	Yes	No	Don't Know	Total
1	102	7	110	109	0	1	110

Table 6 shows that 102 SHGs (92.27%) had written rules and regulations and 109 SHGs (99.09%) updated the rules and regulations on a yearly basis.

Table 7: Meetings of SHGs

Frequency of Meetings					Attendance of Members				
No specific frequency	Weekly	Fortnightly	Monthly	Total	Less than 50%	50% - 60%	61% - 75%	75% and above	Total
0	101	3	6	110	0	0	1	109	110

From Table 7 above, With respect to the frequency of meetings held by the SHGs, 101 (91.82%) SHGs conducted weekly meetings, followed by 3 with fortnightly meeting and 6 with monthly meetings.

Table 8: Functioning of SHGs

Election of group leader				Transparency in Operations				Major disagreements in SHGs			
Proposed by Members	Through election	No specific system	Total	Yes	No	Don't Know	Total	Yes	No	Don't Know	Total
34	74	1	110	108	0	2	110	6	104	0	110

Table 8 explains the method of electing the leader of SHGs and the perceptions of SHG members about the transparency in operations and disagreements in SHGs. Among the total 110 SHGs chosen for the sample, 74 (67.27%) elected their leaders through voting system. 108 (98.18%) SHGs observed that there is transparency in their operations, and 104 (94.5%) SHGs observed that there are no major disagreements among its members.

Table 9: Documents Prepared and Kept with the SHGs

Minutes book		Attendance Book		Loan ledger		Cash Book		Bank Passbook		Individual Pass book		Repayment Particulars	
Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
110	0	110	0	110	0	98	12	110	0	108	2	110	0

The table above (Table 9) tells that all the SHGs included in the sample maintained Minutes book, Attendance book, Loan Ledger, Bank Passbook and Repayment particulars. The only document which wass not kept by all the SHGs is Cash Book. 98 SHGs out of 110 (89.09%) maintained Cash book also.

Table 10: Details regarding Custodian of Documents and Updation of Documents

Custodian of documents	Number of SHGs	Updated documents	No. of SHGs
Leader of the group	110	Yes	110

As is evident from Table 10, The leader of the SHG wass the custodian of the documents in the case of all SHGs and all the SHGs updated their documents on a regular basis.

Table 11: Details of Orientation Training Programme given to the members

	Type of training	Members attended	Percentage
Thiruvananthapuram	Conduct of meetings	239	33.01%
	Maintenance of records	192	26.52%
	Community participation	176	24.31%
	Communication	112	15.47%
Alappuzha	Conduct of meetings	281	69.38%
	Maintenance of records	270	66.67%
	Community participation	277	68.40%
	Communication	277	68.40%
Ernakulam	Conduct of meetings	30	18.63%
	Maintenance of records	25	15.53%
	Community participation	16	9.94%
	Communication	30	18.63%
Palakkad	Conduct of meetings	95	35.31%
	Maintenance of records	95	22.51%
	Community participation	149	22.99%
	Communication	97	22.51%

Table 11 presents the details of orientation training programme offered to the members of different SHGs across districts. Orientation training was usually given in four functional areas namely conduct of meetings, maintenance of records, community participation and communication. Among the four districts, members of SHGs belonging to Alappuzha district got the orientation training programme, followed by Thiruvananthapuram, Palakkad and Ernakulam. Across four districts, the maximum number of members was given training on how to conduct meetings, whereas the training for the remaining three functional aspects varies among the four districts. The percentage of members who attended training in Ernakulam district was found to be very low when compared to other three districts.

Table 12: Details on the Sponsor of the Orientation Training

District	Government	Bank	NGO	Others	No Sponsor	Total
Thiruvananthapuram	31	0	14	0	0	45
Alapuzha	0	0	24	0	6	30
Ernakulam	6	0	2	0	0	8
Palakkad	8	0	16	0	3	27
	45	0	56	0	9	110

Regarding the sponsors of the training programme, the above table 12 explains that in Thiruvanathapuram district, majority of the orientation trainings were sponsored by the Government, followed by NGOs. In Alapuzha district, all the training programmes were sponsored by NGOs, where as in Ernakulam, Government sponsored the orientation training programme of 6 SHGs and NGOs sponsored the orientation training programme of 2 SHGs. In Palakkad district, Government sponsored the orientation training programme of 8 SHGs, while NGOs sponsored 16. Altogether, Government sponsored 45 programmes and NGOs sponsored 56 training programmes. The notable inference is that, no banks offered any orientation training programmes to the SHGs linked to it.

Table 13: Participation of SHGs in the Trade Fair Or Exhibitions organised by Government / NGOs / Others

	Frequency	Percent
Always	97	87.3
Often	13	12.7
Sometimes	0	0
Total	110	100.0

87.3% of SHGs always participated in the trade fairs or exhibitions organised by Government or NGOs or others. 12.7% SHGs often participated in such fairs. This shows that SHGs took active role in participating in exhibitions and trade fairs organised by government and other agencies and projected the products and services of its members to the public. Table 13

Table 14: Involvement of SHGs in Socio-Economic Mobilisation Activities – District wise

		Involvement in Socio – economic mobilisation activities by SHGs					Total
		Always	Often	Sometimes	Rarely	Never	
District	Alappuzha	0	1	3	25	1	30
	Ernakulam	1	1	3	2	1	8
	Palakkad	3	7	2	12	3	26
	Thiruvananthapuram	14	5	7	7	12	45
Total		19	14	15	46	16	110
Percentage		17	13	14	42	15	

Table 14 studies the involvement of SHGs in Socio- Economic Mobilisation Activities, district-wise and it was found that the groups rarely involve in such activities. Only 17% participated always, 13% often and 14% sometimes. 42% rarely participated and 15% never participated in such activities.

Table 15: Involvement of SHGs in Socio-Economic Mobilisation Activities – Bank Linkage Wise

		Involvement in Socio – economic mobilisation activities by SHGs					Total
		Always	Often	Sometimes	Rarely	Never	
Linked Bank	Canara Bank	3	7	4	15	7	36
	Indian Overseas Bank	13	2	3	1	0	19
	Kerala Gramin Bank	0	0	2	0	0	2
	Union Bank	2	2	3	18	1	26
	Bank of India	0	0	1	1	0	2
	Dhanalakshmi Bank	0	0	0	7	1	8
	Syndicate Bank	0	0	0	3	0	3
	State Bank of India	1	2	2	1	7	13
	Indian Bank	0	1	0	0	0	1
Total		19	14	15	46	16	110
Percentage		17	13	14	42	15	

Table 15 studies the involvement of SHGs in Socio- Economic Mobilisation Activities, bank-wise and it was found that the majority of the groups rarely involved in such activities. Only 17% participated always, 13% often and 14% sometimes. 42% rarely participated and 15% never participated in such activities.

Table 16: Nature of Socio – Economic Mobilisation Activities undertaken BY SHGs across Districts

DISTRICT	Production	Trading	Agriculture	Sales & marketing	Services
Thiruvananthapuram	6	10	6	0	4
Alapuzha	0	2	2	0	0
Ernakulam	0	2	1	0	2
Palakkad	0	4	6	0	2
	6	18	15	0	8
Percentage	5	16	14	0	7

Table 16 studies the socio-economic activities undertaken by SHGs for income generation. The result shows that there was hardly any such activity undertaken. 16% undertook trading, 14% agriculture, 5% production, 7% service activities and none of the groups were engaged in sales and marketing activities. This shows that there was no meaningful productive or income generating economic activity undertaken by the SHGs.

Table 17: No. of SHGs which obtained training for Socio-Economic Mobilisation Activities across Districts

DISTRICT	Whether training is received			Total
	Yes	No	Don't Know	
Alappuzha	6	24	0	30
Ernakulam	0	8	0	8
Palakkad	15	12	0	27
Thiruvananthapuram	12	28	5	45
Total	34	72	5	110
Percentage	31	65	4	

Table 17 studies the training obtained by SHGs for undertaking socio-economic activities for income generation. The result shows that 65% groups had not got any training. 31% got training and 4% responded lack of knowledge. The result shows that there is need for improving the training facilities for undertaking productive or income generating economic activities by the SHGs.

Table 18: No. of SHGs which obtained training for socio-economic mobilisation activities across banks

		Whether training is received			Total
		Yes	No	Don't Know	
Branch	Canara Bank	17	18	2	37
	Indian Overseas Bank	4	12	3	19
	Kerala Gramin Bank	0	2	0	2
	Union Bank	4	21	0	25
	Bank of India	0	2	0	2
	Dhanalakshmi Bank	2	6	0	8
	Syndicate Bank	1	2	0	3
	State Bank of India	6	7	0	13
	Indian Bank	0	1	0	1
Total		34	72	5	110
Percentage		31	65	4	

Table 18 studies the training obtained by SHGs for undertaking socio-economic activities for income generation, bank-wise. The result shows that 65% groups had not got any training. 31% got training and 4% responded lack of knowledge. The result shows that there is need for improving the training facilities for undertaking productive or income generating economic activities by the SHGs.

Table 19: Details on identification of training agencies

DISTRICT		Whether training agency is identified		Total
		Yes	No	
	Alappuzha	0	30	30
	Ernakulam	3	5	8
	Palakkad	2	25	27
	Thiruvananthapuram	28	17	45
Total		34	77	110
Percentage		31	70	

Table 19 studies the details on training agencies identified by SHGs for undertaking socio-economic activities for income generation. The result shows that 70% groups had not identified any training agency. 31% have identified training agencies, most of which were NGO facilitated. This shows that there is need for identifying training agencies for extending training to SHGs to enable them undertake productive or income generating economic activities.

Table 20: Distribution details of markets available for SHGs

		Market for product		Total
		Panchayath	District	
	Alappuzha	3	27	30
	Ernakulam	0	8	8
	Palakkad	2	25	27
	Thiruvananthapuram	7	38	45
Total		12	99	110

Table 20 studies the distribution details of markets available for SHGs. Most of their market was located in district and panchayath level.

Table 21: Distribution of problems faced by SHGs in Marketing

	SHG faces problems		Total
	Yes	No	
Alappuzha	30	0	30
Ernakulam	8	1	9
Palakkad	21	5	26
Thiruvananthapuram	24	21	45
Total	83	27	110
Percentage	75	25	0

Table 21 studies the problems faced by SHGs in marketing activities, 75% of the respondents stated that they face problems in marketing.

Table 22: Bank wise data of SHGs facing problems in marketing their products

		SHG faces problems		Total
		Yes	No	
Branch	Canara Bank	31	5	36
	Indian Overseas Bank	9	10	19
	Kerala Gramin Bank	1	1	2
	Union Bank	26	0	26
	Bank of India	2	0	2
	Dhanalakshmi Bank	8	0	8
	Syndicate Bank	2	1	3
	State Bank of India	4	9	13
	Indian Bank	0	1	1
Total		83	27	110
Percentage		75	25	0

Table 22 studies the problems faced by SHGs in marketing activities, across banks and 75% of the respondents stated that they face problems in marketing.

Table 23: Distribution of major challenges faced by SHGs while marketing their products

Factors	No. of SHGs	Percentage
Distance to the market	43	39.09%
Lack of proper transportation facilities	36	32.72%
Pricing factors	61	55.45%
Lack of Knowledge	73	66.36%
Seasonal Issues	47	42.72%
Other issues	15	13.63%

Table 23 analyses the major challenges faced by SHGs in marketing their products and services. 66.36 % observed that Lack of knowledge is the major challenge. For 55.45%, the major challenge was Pricing factor. 42.72% saw Seasonal factors as a challenge. 39.09% found distance to the market as a major challenge. For 32.72%, Lack of Transportation facilities was a major challenge. The study reveals that there is need for improving the knowledge of SHG members towards marketing activities.

DISCUSSION

The justice to the objectives of the study and the significant findings obtained from the analysis of data are discussed in this section. It also includes the theoretical and managerial implications of the study, followed by the limitations of the study and directions for further research.

1. *To explore the general attributes of SHGs namely demographic and social profile of members and economic and financial aspects in the state of Kerala.*

The study revealed that majority of the members (91%) of Self Help Groups are married women. 66% belonged to Other Backward Classes Category and 26% members belonged to general category, and SC and ST members were negligibly low. The result that majority of the beneficiaries belong to Other Backward Classes may be due to the fact that SHG is initiated for socially backward background people as per guideline, the discussion also supported Anjugam M, Ramaswamy C (2007) [15] stated that socially backward participate more in the self help group programme. Educational qualification of 46% members was below 10th standard, 27% 10th pass, 12% 12th pass and 9% degree holders. Hence, it may be concluded that the members had considerably good literacy levels, being in the highly literate State of Kerala. 76% had income upto Rs. 25,000, 15 % between Rs. 25,000 and Rs. 50,000, 8 % upto Rs. 1,00,000 and meagre 1% above Rs. 1,00,000. This shows that the beneficiaries are having low income and belong to the bottom of the economic pyramid, as the scheme is envisaged as a Poverty alleviation programme. 75.5% of SHGs were formed with an objective to promote savings habit among its members, followed by 70% with an objective to improve the economic status. 64.5% aimed at obtaining financial support, whereas 59% aimed at improving social status. Only 30% had the objective to facilitate community development.

2. *To explore the governance aspects namely rules and regulations, documentation, conduct of meetings, etc*

92.27% had written rules and regulations and 109 SHGs (99.09%) updated the rules and regulations on a yearly basis. 91.82% SHGs conducted weekly meetings. Among the total 110 SHGs chosen for the sample, 74 (67.27%) elected their leaders through voting system. 108 (98.18%) SHGs observed that there is transparency in their operations, and 104 (94.5%) SHGs observed that there are no major disagreements among its members. All the SHGs included in the sample maintained required registers promptly. The leader of the SHG was the custodian of the documents in the case of all SHGs and all the SHGs updated their documents on a regular basis. The majority of the members always involved in the decision making process of SHGs, whereas only a very few was not involved in the decision making process. The study shows that the governance of SHGs are good and prompt.

3. *To analyse the economic and marketing activities after joining SHGs.*

87.3% of SHGs always participated in the trade fairs or exhibitions organised by Government or NGOs or others. 12.7% SHGs often participated in such fairs. This shows that SHGs had taken an active role in participating in exhibitions and trade fairs organised by government and other agencies and projects the products and services of its members to the public.

The involvement of SHGs in Socio-Economic Mobilisation Activities was

analysed, district-wise and it was found that the groups rarely involved in such activities. Only 17% participate always, 13% often and 14% sometimes. 42% rarely participated and 15% never participated in such activities.

The socio-economic activities undertaken by SHGs for income generation were studied. The result shows that there was hardly any such activity undertaken. 16% had undertaken trading, 14% agriculture, 5% production, 7% service activities and none of the groups were engaged in sales and marketing activities. This shows that there is no meaningful productive or income generating economic activity undertaken by the SHGs.

The training obtained by SHGs for undertaking socio-economic activities for income generation was analysed and the result shows that 65% groups had not got any training. 31% got training and 4% responded lack of knowledge. The result shows that there is need for improving the training facilities for undertaking productive or income generating economic activities by the SHGs.

The details on training agencies identified by SHGs for undertaking socio-economic activities for income generation were studied. The result shows that 70% groups had not identified any training agency. 31% had identified training agencies, most of which were NGO facilitated. This shows that there is need for identifying training agencies for extending training to SHGs to enable them undertake productive or income generating economic activities.

The distribution details of markets available for SHGs were analysed. Majority of their market is located in district and panchayat level.

While studying the problems faced by SHGs in marketing activities, 75% of the respondents have stated that they face problems in marketing. 66.36 % have observed that Lack of knowledge is the major challenge faced by SHGs in marketing their products and services. For

55.45%, the major challenge is Pricing factor, 42.72% sees Seasonal factors as a challenge, 39.09% finds distance to the market as a major challenge, For 32.72%, Lack of Transportation facilities is a major challenge. The study reveals that there is need for improving the knowledge of SHG members towards marketing activities.

The study is limited to the SHGs under Bank Linkage Programme, formulated by NABARD and NHGs of Kudumbashree. The SHGs under Micro Finance Institutions and other alternative channels could not be included in the study. Even though the Schedule was perfected through pilot study; individual perception differences might influence data. While effort was made in the research design to involve multiple cases and participants who represented different points of views, the generalizability of the data to a national and international scale would have to be complemented by further research.

CONCLUSION

This study provides several insights to policy makers, government, banks, NGOs and other facilitating agencies regarding the SHG Bank linkage programme, regarding the structure, functioning,

1) the members of the groups are mainly housewives in the age group of 40 to 50 and having education level of Std 10 and above. This shows that the government can utilise the SHGs for promoting economic and welfare activities through these groups.

2) The groups have access to substantial amount of loans from Commercial Banks, but these are not put to productive or effective use, which means that Government authorities and Banks can formulate suitable schemes for ensuring income generation through the scheme.

3) Thought most of the members got orientation training; there is wide gap in training for undertaking economic activities. The trainings are mainly done through facilitating NGOs. Government imparts some amount of training, which needs to be further improved. Though Banks are lending

substantial amounts to these groups, they do not participate in the monitoring or training of the SHGs.

4) There is no meaningful productive or income generating economic activity undertaken by the SHGs.

5) The study reveals that the role of Government, Banks and NGOs in facilitating the growth of SHGs extended to them in the initial phase of formation of groups needs to be extended further through hand-holding for engaging in productive and income generating activities, to ensure the sustainability of the programme.

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