1.1 Introduction

People and poverty are the common factors hindering economic development. A healthy, educated and empowered population contributes to improved productivity which, in turns sustains balanced economic growth. While economic growth is extremely important, it has to be accompanied by improvement in the quality of life of the people, for the development process to be sustainable in the long run. Although the economic wealth of the world has increased greatly in recent times, overcoming poverty still remains a
pressing issue, particularly in the developing world. The National Commission of Enterprises in the Unorganized sector (NCEUS), in its report, suggested that 77 per cent of the total population of the country in 2004-05 had a per capita consumption expenditure of less than Rs.20 per day. So, the growth of aggregate income/consumption is a sufficient condition for reduction of overall or aggregate poverty.

The latest estimates reveal that, globally, 1.2 billion people in the developing world live in extreme poverty, of whom, 75 per cent live in rural areas. In India, official estimates show that about 260 million people still subsist below poverty line (Clim Tisdell 2007).

The poverty alleviation programmes organized by the government of Kerala are planned without participation of the local people and, therefore, have often failed to address the needs and requirements of the poor, resulting in complete failure to improve the socio-economic condition of the poor for whom these have been evolved. In a society, poverty primarily affects women and children and the situation requires schemes and programmes for the uplift of these marginal sections, especially rural women.

Even after six decades of independence, poverty still persists in Indian society. Due to increase in population, poverty has created obstacles to human development. Mass poverty and chronic under-utilization of the vast human and natural potential are recognized as our most pressing problems (M.S.Guptha). Though a developing nation, India still has nearly 21 crores of people living in poverty. The Government of India, way back from independence, has been giving emphasis to poverty alleviation. Unfortunately, the mass poverty alleviation programmes introduced by the government could not break the vicious cycle of poverty. The major reasons identified for the failure of
government programmes initiated for poverty alleviation are lack of market, inadequate training, and non-availability of production input.

1.2 Employment Rate in India

Poverty is closely linked with unemployment and under employment. Even urban poverty is a reflection, in most cases, of a lack of employment opportunities in the rural area. The projected increase in total labour force during the Eleventh Five-Year Plan is estimated at 45 million. It is expected that the agriculture sector may not contribute towards any increase in employment during the Eleventh Five-Year Plan period. Hence, the employment generation strategy of the Eleventh Five-Year Plan is based on the reduction of underemployment and movement of surplus labour in the agriculture sector to higher-wage and more gainful employment in the non-agricultural sector. The Eleventh Five-Year Plan has especially identified labour-intensive manufacturing and service sector with employment potential, like food processing, leather products, foot-wear, textiles, wood and bamboo products, yarn and jewellery, handicrafts, handlooms, tourism, and required construction for this purpose.

Table 1.1 Rate of growth of employment in the organized sector

<table>
<thead>
<tr>
<th>Sector</th>
<th>[Lakh Persons as on 31st March ]</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2000</td>
</tr>
<tr>
<td>Public Sector</td>
<td>193.14</td>
</tr>
<tr>
<td>Private Sector</td>
<td>86.46</td>
</tr>
<tr>
<td>Total Organized Sector</td>
<td>279.60</td>
</tr>
</tbody>
</table>

(Source: Economic Survey 2011-12)

The employment growth in the organized sector, Public and Private combined, has accelerated during the period between 2000 and 2012. This has happened primarily due to the mass increase of employment in the organized
private sector, whereas the public sector has shown a decline in the pace of rate of employment from 193.14 lakh persons in 2000 to 178.63 lakh persons in 2012 (Table 1.1).

Table 1.2 Rate of growth of employment in the unorganized sector

<table>
<thead>
<tr>
<th>NSS Round/Year</th>
<th>Total Employment</th>
<th>Informal Sector Worker</th>
</tr>
</thead>
<tbody>
<tr>
<td>55th Round (1999-00)</td>
<td>396.8</td>
<td>342.6</td>
</tr>
<tr>
<td>61st Round (2004-05)</td>
<td>457.5</td>
<td>395.0</td>
</tr>
</tbody>
</table>

(Source: Economic Survey)

The estimated total employment in the country as per the 61st round survey during 2004-05 was 457.5 million, and among them the estimated informal sector workers were 394.9 million, which means that more than 86 per cent of the total employment was in the informal sector.

1.2.1 Unemployment of Women

Workforce participation rate of women in Kerala has remained far lower than the all-India rate and even that of the neighbouring states of South India, during all the years from 1951 onwards. In work participation, the rate of women falls far shorter than that of men. In the 2001 census, the work participation rates of men and women in Kerala were 50.6 per cent and 15.3 per cent respectively. The factors that led to the decline in female work participation rate include the structural changes of employment in the State, like decline in rice cultivation and traditional cottage industries.

There do not exist significant differences in work participation rates between the urban and the rural areas in Kerala. It is known that unemployment exists on a large scale, wage rates remain rigid, and employment opportunities remain unfilled. The existence of widespread unemployment in the face of
unfilled vacancies and unsatisfied labour demand in general has produced a seemingly paradoxical situation.

1.3 Importance of Rural Development

Rural development has considerable significance in India because of various social, economic and political reasons. The Father of the Nation, Mahatma Gandhi, once observed that the soul of India is in villages and India cannot prosper without the development of villages. Rural development has great social significance since it provides a solution to solve innumerable rural problems; it educates the rural poor for a social change, with better utilization of resources both human and natural, and also develops infrastructural facilities. The economic significance of rural development includes contribution to national income through rural agricultural production, higher level of employment, solving of food problems, acceleration of industrial growth, and development of trade, both internal and international.

The problem of rural development not merely one of adopting an appropriate technology but also of enabling the right target groups of the rural population to absorb the benefits and make the process of rural development programme self-sustaining (B.S.Bhatia, H.L.Verma, and Mahesh C Garge). The chief problem of our country is how to raise the living standards of the masses of the low income population of the rural area and to ensure them gainful employment that would assist them in procuring adequate food, clothing and shelter.

1.4 Poverty Alleviation Programmes in India

The existing major poverty alleviation programmes in India include wage employment programmes, credit-based self-employment programmes, special group and area-specific programmes, and public distribution system.
Recently innovated poverty alleviation and employment generation programmes of the Government of India include Pradhan Mantri Gram Sadak Yojana (PMGSY-December 2000), Indira Awas Yojana (IAY), National Rural Employment Scheme (NREGS-February 2006), Swarnajayanti Gram Swarojgar Yojana (SGSY- April 1999), and Swarna Jayanthi Shahari Rozgar Yogana (SJSRY- December 1997) National Livelihood Mission, etc. Even though most of the programmes are intended for alleviation of rural poverty, progress of these programmes is far from satisfactory. The various government-sponsored poverty alleviation programmes for improving the economic condition of the poor have not achieved the desired result because of their poor implementation. The programmes of rural development had suffered many drawbacks such as wrong identification of beneficiaries, inadequate assistance, corruption, lack of coordination between agencies for rural development, defective allocation of fund, absence of proper planning, inefficient monitoring, non-availability of managerial skill, complicated banking procedures, lack of marketing and production support, lack of basic developmental infrastructures, etc., The government-sponsored poverty alleviation programmes are planned without participation of the local people and therefore they have often failed to address the needs and requirements of the poor, which has resulted in complete failure to improve the socio-economic conditions of the poor masses.

1.4.1 Micro-finance

It is observed by quite a number of development planners that there is need for an innovative approach for a more equal and just development according to the real needs and wishes of the poor population, on the basis of the local needs and demands not only for the successful implementation of proposed development projects but also for their lasting effects. The inability of the credit institution to deal with the credit requirements of the poor
effectively has led to the emergence of micro-finance as an alternative credit system for the poor. Now-a-days, micro-finance has taken a development strategy to address the alleviation of poverty and the empowerment of the poor sections of the society.

The International Labour Organization defines micro-finance as an economic development approach that involves providing financial services through institutions to the low income clients. The task force on supportive policy and regulatory framework for micro-finance (NABARD-1999) defines micro-finance as a provision of thrift, credit and other financial services, and of very small amounts to raise the income level of clients and improve their living standards. The basic unit of micro-finance is a group of persons called self-help groups. These small and homogeneous groups involved in savings and credit activity are capable of taking care of risks through peer monitoring (D. Nagayya and D. Koteswara Rao 2007).

The informal voluntary associations of SHGs (Self-Help Groups) are formed to attain a collective goal. Now the Microfinance sector has traversed a long way from micro savings to micro credit and then to micro enterprises, and has now entered the field of micro insurance, micro remittance and micro pension. This gradual and evolutionary growth process has given a great opportunity to the rural poor in India to attain reasonable economic, social and cultural empowerment, leading to better living standard and quality of life to participating households.

1.4.2 Self-Help Groups

Micro-finance groups in India are generally called Self-Help Groups (SHGs). In addition to the usual functions of micro-finance groups, such as savings, credit and insurance, SHGs engage in issues of social significance.
These have been small groups of 10-20 members, in the recent past; many SHPIs are promoting SHGs which have 10 members. In the hilly regions, the SHGs may have even five members. The SHG is a voluntary association of the poor who come together to improve their socio-economic conditions. Each homogenous group meets monthly or weekly close to members’ home. At the designated meeting, all members save a commonly agreed amount. The group then lends these savings to its members, stores them in a cash box, or deposits them in a group bank account in order to leverage a group loan. In cases of emergency or need, members can access a loan quickly from their group’s fund. As the group matures, they initiate income enhancement and entrepreneurial activities. These can be both individual and group activities; both require funds to undertake various economic activities. The SHG borrows a required fund from banks to disburse it among the group members to undertake various income-generating activities. Self-Help Groups differ from the more traditional micro credit programmes in that it is the group members who identify the problems, the possible solutions and projects, and the allocation of loans according to criteria set by themselves (Sidhartha Sankar).

The concept of Self-Help Group (SHG) is not something very new. Katz and Bender (1976) provided a comprehensive definition of self-help groups. "Self-Help Groups are voluntary, small group structures for mutual aid and for the accomplishment of a special purpose. They are usually formed by peers, who have come together for mutual assistance in satisfying a common need, overcoming a common handicap or life-disrupting problem, and bringing about desired social, and/or personal change". The initiators and members of such groups perceive that their needs are not or cannot be, met by or through existing social institutions. Self-Help Groups emphasize face-to-face social
interactions and the assumption of personal responsibility by members. They often provide material assistance as well as emotional support.

In India, almost 90 per cent of the groups comprise only women. The SHG provides the poor with alternative means of obtaining economic and social entitlement to resources through their active participation. SHGs are formed on voluntary basis, perceived appropriately as people's institutions providing the poor with the space and support necessary to take effective steps towards greater control over their lives in private and in society. Each group acts like a bank, and decides the internal operations of the group in the distribution of loans, monitors the utilization of the loan amounts and enforces repayment. Generally, the group disburses the loan amount among the members according to the criteria arrived at by the members. The members borrow both for consumption and for productive purposes. The economic conditions of the poor SHG members improved in terms of lifting the poor above the poverty line and improved their access to assets in the post-SHG scenario. Moreover, in the social sphere, the programme improved the self-confidence of the members and their attitude towards society (Emil Mathew, 2006).

1.5 Review of Earlier Studies

There have been several studies on the Self-Help Groups movement as a solution for poverty eradication and empowerment of women. The studies conducted in and out-side the country suggest that the group method is better for delivering the development status of rural and urban poor families. The studies have also reconfirmed that the SHG movement has not only created awareness among the members but has also helped them to take up income-generating activities, thereby facilitating improvement of economic status and
empowerment of women. Some of the important studies taken up in different parts of the country during the past decades are reviewed for better understanding and to justify the need for the present study.

**Berger M Marguerite (1987)** suggests that credit can be targeted in several ways to achieve the objectives of poverty alleviation through employment and income generation, especially for poor women. He points out that investment may be directed towards labour-intensive industries that are likely to create jobs for women, and that credit can be used to create forward and backward linkage to income-generating activities of women in the formal sector. He has also brought out an option, that is to direct credit to business that can transfer women’s household responsibilities to the market, and to relieve women from some of their domestic burdens at a reasonable cost even if these businesses are not owned and operated by women, and loans can be granted directly to individual micro enterprises that are owned by women creating jobs for women and allowing them to improve the productivity and raise their own income.

**Pawar (1990)** finds that small enterprises tend to keep the unit size small because of poor availability of capital, limited market, scarce raw material, and lack of managerial skill.

**Helan Pickering et al. (1996)** point out that individual women are found to be more economically successful than women groups. The study compares the economic success of eight women’s income generating groups and twelve women entrepreneurs in rural southwest Uganda. The individual women found to be economically more productive than the groups. They argued that this was due to the groups being hindered by bureaucratic procedures and the necessity of maintaining social relationships.
Pitt and Khandekar (1998) have found that the programme credit has larger positive impact on the behaviour of the poor if the borrowers are women rather than men, while considering the impact of Grameen Banks and two other group-based micro credit programmes in Bangladesh on labour supply, schooling, household expenditure and assets.

Punitha et al. (1999) examines the problems and constraints faced by women entrepreneurs in the Pondicherry Region. Samples of 120 female entrepreneurs were personally interviewed during the period of 1999, out of whom 42 were rural and 7 urban. The major problems faced by women entrepreneurs were found to be competition from better quality products and marketing problems. The problem of urban entrepreneurs, apart from the competition from better quality goods, was the difficulty of getting loans. The least problems faced by both rural and urban women entrepreneurs were ignorance about schemes, distance from market and ignorance about agency and institution.

Oommen (1999) in his study on SHGs in Kerala, has reviewed the progress of SHG programme and its impact on poverty, income-generating programmes, thrift and credit societies, and women empowerment. He concludes that micro-financing through SHGs can help in a big way in eradicating poverty and attaining women empowerment.

Rahman (1999) finds that financial sustainability was taking precedence over women’s socio-economic empowerment (and that women were not acting as autonomous agents in any meaningful sense). He concludes that pressure to return loans can increase tension and frustration among household members, produce new forms of dominance over women and increase violence in society.
Murugan and Dharmalyam (2000) the basis of their analysis of the new women movement in Tamil Nadu, observe that SHGs organized by women managed the economic activities better, and helped gaining empowerment in the direction appropriate to their needs, interest and constraints.

NIRD (2001) state that linking up of micro-enterprises and micro-credit through Self-Help Groups can become financially self-sustaining. The micro-enterprises sector is the sector for the future, in any strategy for poverty alleviation.

Goanakar (2001) in a study on the working and impact of SHG in Goa, indicate that SHGs have made a lasting impact on the lives of the poor in terms of increase in family income, increase in savings, increase in consumption, expenditure, and in gaining self-confidence and productive use of free time.

Mishra et al. (2001) have made an attempt to study the size, and composition character of rural SHGs, to examine their functions and their impact on generation of income and employment, to identify the major constraints, and problems of the groups and to suggest measures to overcome these problems. They conclude that the SHGs have helped to increase the income of their members by 10 to 15 per cent. Their repayment performance was found to be good and the major problems faced by the members of the SHGs were lack of training, credit and marketing facilities, social evils and high rate of interest.

Manimekalai et al. (2001) in a study at the socio-economic background of SHG women in rural micro-enterprises, find that among the problems faced by the SHG women in running their enterprise, lack of finance was a serious problem, in addition to lack of infrastructural facilities including marketing, non-availability of raw material, and lack of family support in running the
business. The provisions of micro-finance offered by the NGOs to women SHGs have helped the groups to achieve a measure of economic and social empowerment. It has developed a sense of leadership, organizational skill, and management of various activities of a business. The study also reveals that the occupational background of the husband influenced the women entrepreneurs in enter into business ventures.

Tiwari and Fahad (2001) conclude that the poor repay the loans honestly. Peer pressure and sequential lending provides strong repayment motivation, which results in lower default rates. Micro-finance can contribute to solving the problem of inadequate housing and urban services as an integral part of poverty alleviation.

Dhameja (2002) in his research study on women enterprises, opportunities, performance and problems, conducted among 175 women entrepreneurs of Punjab, Haryana, and Union Territory of Chandigarh, finds a mixed reaction of women entrepreneurs towards support agencies. The majority of the women entrepreneurs agreed on various issues, such as lack of coordination between support agencies, non-availability of timely assistance, and the improper motivational role in discharging duties and disagreed on various other aspects relating to support agencies, like gender bias etc. The overall responses of women entrepreneurs in the study further highlight that despite overall level of dissatisfaction with the functioning of support agencies, the majority of the respondents had appreciation of the important role of these agencies in the establishment of enterprises.

Mahmud (2002) finds that the group fund system provides an economic base that holds the groups together. The group fund fosters a sense of unity and solidarity since it represents a source of collective bargaining power for
women in the marketplace. While it provides a base from which to assert control and autonomy, it is only within a particular configuration of male power relationships in the family or the village.

Lakshmanan (2002), in a study in Tamil Nadu, reveals that the SHGs are really a boon in rural areas, which give financial autonomy to the rural women and make them economically independent. The major problem faced by the micro-entrepreneurs is the high cost of raw materials.

A study by NABARD covering SHG member households from various SHGs across 11 states, has pointed out many positive results of the impact of participation of the rural poor in the SHGs. The study shows that there have been perceptible and wholesome changes in the living standards of SHG members in terms of ownership of assets, borrowing capacities, income generating activities, income levels and increase in savings. It indicates that the average annual saving per household registered an increase over three-fold (NABARD, 2002).

In their study, ‘Empowering Women through Microfinance’, Cheston S and Kuhn (2002), have studied another issue that needs further investigation, i.e., whether, without change in the macro-environment, does microfinance reinforce women’s traditional roles instead of promoting gender equality? A woman’s practical needs are closely linked to the traditional gender roles, responsibilities, and social structures, which contribute to a tension between meeting women’s practical needs in the short-term and promoting long-term strategic change. By helping women meet their practical needs and increase their efficacy in their traditional roles, microfinance can help them gain respect and achieve more in their traditional roles, which, in turn, can lead to increased esteem and self-confidence. Although increased esteem does not automatically
lead to empowerment, it does contribute decisively to a woman’s ability and willingness to challenge the social injustices and discriminatory systems that they face.

Some studies have reported a positive impact of micro-credit on women empowerment in terms of increased decision-making ability, increased self-confidence, improved status and gender relation at home, and reduced domestic violence (Cheston and Kuhn-2002, Kabeer 1999, Hashemi, Schular and Riley-1999, NCAER-2008). But others like Mayoux (1999) and Rahman (2001) have pointed out that the exclusion of man from the micro-credit programme results in disempowerment of women, as it can adversely affect household gender relation, as man feels increasingly degraded in this role as primary breadwinners within the household.

Karmaker (1999) based on the case studies in Orissa, concludes that there is a positive correlation between credit availability and women empowerment. Experience of women SHGs in Orissa linked with bank finance is that as transaction costs are reduced for both rural banks and women borrowers, repayment exceeds 95 per cent and credit are available on time.

Yeling Tan (2003) reveals that evidence from impact evaluations in Nepal and Bangladesh shows that micro-finance programmes not only strengthen their economic role but also empower them to an extent. On the personal level, women tend to gain greater intra-household bargaining power and more decision making authority, but suffers less from domestic violence. They also suggest that the achievements of lending groups and their contribution to the community have a positive impact on women’s social voice and status.
Satha Sundaran (2003) reports that the SHG-Bank linkage programme has helped the weaker sections to enhance the saving habits, improved repayment percentages, increased employment opportunities, enhanced self-confidence of the members, and made members more assertive in facing social evils.

Kannan et al (2004) have made an attempt to analyse the significance of informal women entrepreneurs in generating income for their families, and the major findings of the study are that women entrepreneurs depend upon the family background and support for involvement in entrepreneurship, and that the major reason for involvement in informal trade is the abject poverty in their families. In rural India, women turn to self-employment and entrepreneurship as a means of earning for livelihood. The study was conducted in five villages around Tuticorin town.

In his study on the performance of the SHGs Manimaran (2004) finds that the SHGs are organized to manage their economic activities better and are gaining empowerment in directions which are appropriate to needs, interests and constraints. Women gain confidence from an increase in their relative financial independence and security. It is observed from the study that a revolution is taking place in rural areas because of the formation of SHGs. It is further observed that the rural women are really empowered socially and economically after becoming members of SHGs.

Dr. Jaya S Anand (2004) in a study addressing poverty through self-help groups, concludes that the SHGs have not only produced tangible assets and improved living conditions of their members, but also helped in changing much of their social outlooks and attitudes. Group dynamics have reasonably helped many members to overcome the feeling of low self-esteem and lack of confidence, and has empowered them.
Manimekalai (2004) finds from a study that the success of SHGs influences the households to participate in a group or to take real interest in doing some social service.

The NABARD (2004) report on “The progress of SHGs bank linkage in India 2004” has highlighted the significance of the SHGs bank linkage and its impact on the socio economic life of the members of SHGs. The report says that the participation of Government and NGOs in the programme has resulted in vast benefits to the poor borrowers and that this financial initiative helps millions of poor families to access sustainable financial services from the banking system through a network of Self-Help groups.

In his study, ‘Women Empowerment through SHGs- A success story’, K.V.Naik (2004) observes that the SHG is a real tool of women empowerment. It encourages women entrepreneurship and builds self-confidence among the women members of the community.

Amrit Patel (2004) in his paper “Micro credit and role of banks”, has aptly remarked that the successful operation of micro-finance programme in Indonesia and other countries focuses on the adoption of flexible area-based operating procedure, devising loan product, loan approval and disbursement system, loan collection policy and procedure, loan portfolio management, and design of saving instrument as a part of the best practices for sustainable institutional micro-finance. The study conclude that it is a cause of dismay that India’s performance has been most satisfactory despite the fact that India has a large number of poor people, and that rural financial intermediaries are quite capable if they demonstrate their willingness and commitment in this area.

Rimjhim Mousumi Das (2004) has observed in her article on “Micro-finance through SHGs” that micro-finance through SHGs has now
become a modern economical weapon for the poor to fight against poverty. Many big and small institutions are taking part in the revolution of micro-finance vigorously. She also perceives that micro-finance through SHGs has become a ladder for the poor to bring them up, not only economically but also socially, mentally and attitudinally.

**Pandian Punithvathy and Eswaran, R. (2004)** in a study of Madurai District of Tamil Nadu, conclude that there is a relationship between the nature of micro-enterprises and the extent of borrowing. Another finding of the study is that the literacy of the entrepreneurs influences the nature of enterprises. They also reveal that creation of self-employment and earning a livelihood make them venture into micro-enterprises.

**Tripathy (2004)** has found that the success of the economic activities taken up by the self-employed persons largely depends on their social influence, their role in the decision-making process, broader financial base through enhanced thrift, and credit activities and widened ownership rights to the assets created by them. Thus, increased community solidarity has to be ensured to have a collective action and to address location-specific problems.

**Mohammed sheik et al (2004)** in a study, reveals that micro-credit programmes have to be visualized in the context of new global economic order in liberalization, globalization and privatization policies which have led to job losses in the formal sector, decline in social sector spending, and growing unemployment. In this scenario the last option left for poor women is self-employment, which micro-credit aims to promote. He concludes that since the efficiency of micro-credit programme is not independent of other developmental interventions, it could be one of the best components of a wider developmental agenda.
A study has been conducted by Basu and Srivastava (2005) in Andhra Pradesh and Utter Pradesh reports that the household in the second-income hunters is a significant factor influencing the probability of participation of the households in SHGs.

Anupama (2005) in her research paper “Self Help Group and poverty alleviation- A case study”, advocates that the policy of SHG bank linkage should rapidly convert itself into a micro credit micro enterprise linkage. She has pointed out that SHGs work more successfully when they engage themselves in manufacturing activities. She has cautioned that in this sector they have to face stiff competition in which they may fail due to lack of adequate training and marketing information.

Perumal (2005) finds that the family expenditure has increased due to positive change in the SHG members’ income. The incremental income not only enhances the expenditure of the family but also promotes savings. Nowadays, many SHGs are starting small business, cottage industries, food processing units, etc. The majority of the SHG members are socially, culturally and politically empowered.

Kumar (2005) in a study in the district of Angul in eastern Odisha, finds that participation in SHGs has resulted in increased awareness in matters of health and family planning. However, their understanding of banking is found to be inadequate. As regards decision-making power, membership in SHGs has resulted in enhanced decision making on household matters.

Dr. K. Kamalakannan and Dr. N. Namasivayam (2005) explain that in India women constituted 48.22 per cent of the total population as per the 2001 census. Government and Non-Government organizations and financial
institutions are implementing various programmes for the economic empowerment of women. Women have gained significantly through Self-Help Groups and other Government-sponsored programmes. Women's access to and control over their savings, credit and income has improved.

**Mahendra Varman, P. (2005)** reports that Micro-finance SHG’s in India, which are classified under informal organizations, intentionally or unintentionally help formal banks by increasing the number of accounts by inculcating banking habits among rural people, especially women. Leadership experience in SHG’s would improve an individual’s banking habits much more than simple membership. He suggests that if the leadership position of each SHG is systematically rotated over appropriate time, such that each one in the group has a leadership experience, people will have more exposure to formal banking system.

**Nathalie Holvoet (2005)** has found that in direct bank-borrower minimal credit, women do not gain much in terms of decision-making patterns. However, when loans are channeled through women’s groups and are combined with more investment in social intermediation, substantial shifts in decision-making patterns are observed. This involves a remarkable shift in norm-following and male decision-making to more bargaining and sole female decision-making. She finds that the effects are even more striking when women have been members of a group for a longer period and especially when greater emphasis has been laid on genuine social intermediation. Social group intermediation had further gradually transformed groups into actors of local institutional change.

**Kumar Anant (2006)** points out that SHGs have only succeeded to an extent, in playing an economic role by increasing saving and credit facilities. While the goal to promote and enable women’s groups in the Self Help mode
to undertake responsibilities of change at a local and larger framework of issues related to gender and community level, development is not fully achieved and it is not reflected in their day-to-day life.

**Chandra Kavate, M.S (2006)** in the article “The SHGs model of micro-finance: A silent movement towards empowering rural women”, has observed that to make the SHG movement in India really meaningful and successful, the governments at different levels have to intervene on a large-scale, not a financier or provider of other inputs but as facilitator and promoter.

**Emil Mathew (2006)** in a study on Micro-finance and collective action: a study of self-help groups in Kerala, concludes that the micro-finance groups have incorporated certain mechanisms and incentives to encourage and/or force the members to participate in collective action relating to the selection, monitoring and repayment of loans.

**Naidu, M.C. and Dasartharamaiah (2006)** reveal that the annual income of the SHG members has increased to a considerable extent. Due to the effective organization of DWCRA programme in the mandal, the mandays of employment among all sections of the rural women increased significantly. The self-employment programmes like dairying, poultry, artisans, and tailoring, petty shops are very essential to create self-employment as well as wage employment among the rural women.

In a study, **Sharma (2007)** shows that the SHG movement has not attained success in some North-eastern states for reasons that are peculiar to the region. The study also observes the banking constraints as a factor that hinders the quality of operations of SHGs in Northeast India.
Sarangi (2007) finds that higher the level of education, lower the incentive to join the programme, as education increases the opportunities of a person. She makes an important observation that low participation is an interaction effect of higher schooling years and higher income, as higher level of education is observed for persons with higher levels of household income or wealth. The entrepreneurial attitude of a member may lead to participation in the SHG programme.

R.B. Swain (2007) in a study encompassing a thousand households in five states, finds that SHG members reported increase in level of their confidence and greater political participation. However she finds no change in key decision-making areas of family planning, children’s marriage, sending their daughters to school, and buying and selling of land. She also finds an increase in domestic violence among Self-Help Group members.

Kar (2008) in a study conducted in Mayurbhanj district, Orissa, finds that borrowers used the loans to repay other loans, because they lacked the knowledge of productive utilization of loans.

The study by Upadhey and Kadam (2008) reveals that the SHGs were facing financial, administrative, and marketing problems. The interest rates charged on lending was as high as 24 per cent p.a. Around 40 per cent groups were found engaged in economic activities.

Lina Joy, A. Prema and S. Krishnan (2008) in the study, Determinants of Group Performance of Women-led Agro-processing Self-help Groups in Kerala, suggest that the SHG members should be given better training in management and technical aspects and should be provided with market information and infrastructure so that they could scale up their production and become competitive in the market. The study also indicates that the performance
of SHGs is influenced more by the experience indirectly captured by age rather than by the education level.

While making a study on ‘Strengthening tribal communities through tribal women's Self-Help Groups in Kerala’, K.B.Nidheesh (2009) finds that SHGs have become a prevailing imperative, and a valuable means for empowering women in parts of the mainstream humanity. In participatory areas and within enabling partnerships, they can facilitate the strengths of women in Kerala to renovate their social participation.

Talwar (2009) in a study covering 217 women respondents in the region, reveals that the income levels of the members increased significantly and awareness levels rose satisfactorily. However, the micro-finance programme had not reached the poorest of the poor women.

Singh (2009) infer that the success of micro-finance depends on identification of suitable enterprises, training and skill development, and proper utilization of resources.

Sriram, M.S. (2010) in his study on commercialization of micro-finance in India, identifies that the problem in SHG bank linkage model is its ruthless attempt to grow at a faster pace by any means. He observes that in certain markets, multiple financing is observed to be a rule rather than an exception. Such over-financing without proper assessment may result in diversion of funds towards unproductive activities.

Dhillon (2010) reveals that the Banks perceive poor rural women as a higher-risky group with limited liability to pay back their loans. The loans demanded by poor people are small in size and not sufficient to cover the transaction cost. Collateral requirements are difficult for women as the
property is generally registered in the names of the male members of the family.

Maya Sairoba Gaonkar (2010) in a study advocates that the loan subsidy to SHGs in tune with the government policies should be properly mentioned by the concerned authorities and banks, and the imbalance of loans should be corrected by allocating loans to different sectors on a more rational and equitable basis, so that loan financing can help the beneficiaries in investing the money in creating more productive asset, for the rural poor.

Kumar (2010) observes that federation type SHGs are functioning well, while comparing the differences in quality of SHGs between SHGs under the umbrella of federations and other SHGs which are not part of a federation. He studied the quality of SHGs by using NABARD CRI and also advised all banks to access the quality of SHGs using the CRI before every credit linkage.

Prabin kumar Pandhy (2010) in his study, “SHG movement; micro-finance programme under Swarnajayanti Gram Swarozgar Yojana”, concludes that the success of rural micro-finance lies in the formation of quality groups, as well as adequate and timely credit support along with the identification of appropriate and profitable economic activities. The selection of activities in a particular area should be determined by the availability of physical resources, skill and aptitude of the people, and the market demand.

In their study, Sahu and Gagan Bihari (2010) analyze the quality of SHGs in Northwest India. Thus, in group formation, homogeneity in economic status should be given weightage. It is suggested that continuity in the perusal of social causes and issues, group processes, and other social parameters should be considered while fixing determinants of group quality.
Usha, P. (2010) has studied 200 women SHGs from the Srikakulam and Godavari Districts of Andhra Pradesh. Recovery of loans was found very encouraging. Forty six members got elected to various posts of Panchayat committees. Around 90 per cent members were aware about family planning.

Sajeev, B. K. Thangavel (2011) in his study, ‘Evaluation of socio-economic patterns of SHG members in Kerala using clustering analysis’, finds that only a few members had confidence before joining the SHGs but most of the members gained confidence after joining the SHGs. The study reveals that only a few members attended training programmes and those members attending training achieved more economic benefit. The study also reveals that jobless members are very few in all clusters and that SHGs have reduced unemployment to a great extent.

1.6 Research Gap

From the review of literature, it can be seen that most of the studies were conducted from the economic and empowerment perspective. The studies discussed above examine the economic aspects and the production aspects of Self-Help Groups. Also, it is seen that only a limited number of studies have been conducted in the State of Kerala in connection with the commercial aspects of Self-Help Groups. No studies have so far been conducted in Kerala to evaluate the financial, production and marketing aspects of SHG’s together, in detail. This study is a comprehensive one which covers production and marketing of the products of registered SHGs in Kerala. The present study on the marketing problems of Self-Help Groups in Kerala is an attempt in this direction.

1.7 Scope and Importance of the Study

Effective organization of Self-Help Groups is a significant instrument in the process of empowerment. The emerging changes in the values and attitudes of
the members of the SHGs are a clear manifestation of socio-economic 
empowerment intervention yielding quicker results. The socio-economic
programmes reinforce each other and promote all-round development of children,
women, households and communities. It is a process which ultimately leads to
self-fulfilment of each member of the society. It is in this direction that
Self-Help Groups are moving to fulfil their objective with a meaningful strategy.
An SHG is an informal association of people, who have voluntarily come
together for the business of saving and credit, and to enhance the members’
financial security as the primary motive, coupled with other common interests
of the members such as area development, awareness, motivation, leadership,
training, making of several products and their marketing for the wellbeing of the
groups and individuals and the entire community. SHGs are presently promoted
by the Government, Development Banks and voluntary agencies, and are
concerned with focus on social and economic issues, mainly thrift and credit
programmes. They are also taking up issues relating to rural industries and
modernization of agriculture. Apart from these, voluntary agencies provide
formal training through which entrepreneurs acquire practical skills for
managing small-scale enterprises such as garment making, toy making, fruit
processing, and handicrafts. The voluntary agencies provide financial support to
start micro enterprises and to find suitable places for marketing produces of
entrepreneurs. A study of this type reveals how far these small-scale units help
to eradicate the poverty of the members of the SHGs, and assesses the role of
governmental and non-governmental agencies in promoting the SHGs to help
the members attain a reasonable standard of living, by providing financial and
non-financial support to them. A study on the marketing problems of Self-Help
Groups suggests practical solutions to overcome the problems relating to
finance as well as production and marketing aspects of SHGs in Kerala. In
Kerala, since the middle of the 1990s, the State Government also took initiatives
in organizing the urban poor women into Neighborhood Groups (NHGs), with more or less the same objectives. These NHGs are recognized as SHGs by NABARD, as far as SHG-Bank linkage and credit facilities are concerned. Therefore, in this study, SHG would stand for the SHG/NHGs of Kudumbasree registered with the local self-government units of Kerala.

1.8 Statement of the Problem

Self-Help Groups have been recognized as an effective strategy for the empowerment of the people in rural as well as urban areas, bringing them together from all spheres of life to fight for their rights. Access to credit can be seen as the motivating and sustaining factor behind the formation of SHGs. However, Self-Help Groups have a potential that goes beyond the mere economics of loan management. Once a group has been formed, the credit link is established and the group meets on a regular basis, and gradually the groups tend to take on a much wider social role. More precisely, the Self-Help Groups provide a forum in which people can meet on a regular basis and discuss various issues or concerns that the members face in their day-to-day life. And this type of venture undertakes the production of certain products of daily use and markets them in their areas, thereby earning some income for the members. But the SHGs, normally, face certain problems with regard to production and marketing of their products, because, very often, no agency is ready to undertake the responsibility to market them effectively. This study identifies the production problems faced by the SHGs and the problems faced by them in marketing their products. Evaluating the attitude of the various agencies involved in the promotion of the SHGs in the state, the study suggests practical solutions to solve these problems, and that helps the marketing of products more beneficially to the public and the members of the organizations.
1.9  Period of Survey

A preliminary opinion survey, for a period of two months from July 2011 to September 2011, was conducted among selected Kudumbasree/SHG coordinators to identify the variables to be included in the interview schedule. A pilot study was conducted among fifty SHG leaders based on a preliminary interview schedule for a period of three months, from January 2012 to April 2012. After testing the reliability, and fixing the sample size, the final Interview Schedule was administered to 350 sample SHGs for a single period, from January 2013 to September 2013.

1.10  Period of Reference

The study covers a period of twelve years, from 2000 to 2012. However, for long-term analysis, whenever found necessary, data relating to the previous years were also taken into consideration.

1.11  Objectives

The main objectives of the study are as follows:-

1)  To identify the various financial and non-financial difficulties faced by the Self-Help Groups to produce their products.

2)  To analyse the various problems faced by the SHGs to market their products among the public.

3)  To evaluate the services provided by governmental and non-governmental agencies to the SHGs.

4)  To make practical recommendations to solve the various problems and difficulties faced by the SHGs.
1.12 Hypotheses

1) There is no variation in the means of the set of variables describing the financial problems of SHGs across among the three districts.

2) There is no variation in the means of the set of variables describing the financial problems of SHGs across the urban and rural areas.

3) The Discriminant function for the problems of finance of SHGs between rural and urban area is not valid.

4) There is no variation in the means of the set of variables describing production problems of SHGs across the three districts.

5) There is no variation in the means of the sets of variables describing production problems of SHGs across the prior occupations.

6) The Discriminant function for the problems of production of SHGs between urban and rural areas is not valid.

7) The Discriminant function for the problems of marketing of SHGs between rural and urban areas is not valid.

8) There is no variation in the means of the sets of variables describing marketing problems of SHGs among the different activities undertaken.

9) There is no variation in the means of the sets of variables describing marketing problems of SHGs in the three districts.

1.13 Research Methodology

The study is designed as a descriptive and analytical one. It attempts to describe the financial details, production practices and marketing aspects of Self-Help Groups in Kerala. It analyses the production and marketing problems of
Self-Help Groups in Kerala, with special reference to the SHGs registered under the local self-government units of Kerala.

1.13.1 Source of Data

The study requires both primary and secondary data. Primary data have been collected through a well-structured interview schedule from the SHGs who undertake different types of enterprises on a group basis. A good deal of special information on Kudumbasree Mission has been collected through direct personal interview with district co-ordinators, project officers and community organizers of Kudumbasree Mission and from scholars and experts in this field.

Secondary data have been collected from the publications of the Department of Rural Development, Government of Kerala, State Planning Board, Annual report of NABARD for various years, Annual report of Kudumbasree Mission, Kerala, for different years, Kudumbasree Magazines, economic and political weeklies and Census India report.

1.13.2 Research Approach

Survey research using an interview schedule was adopted in this study, since facts had to be collected directly from the leaders of Self-Help Groups selected, based on multi-stage random sampling.

1.13.3 Research Instrument

An interview schedule was prepared with the objective of collecting all relevant information required for achieving the research objectives. Detailed discussions with academics in Women empowerment and rural development, District level officers of Kudumbasree Mission, and community organizers, and a preliminary survey among selected SHG’s helped in identifying the
relevant variables to be included in the interview schedule. The schedule was pre-tested through a pilot study before its administration.

1.13.4 The Population

The Self-Help Groups initiate income enhancement and entrepreneurial activities only when the groups mature, through both individual and group activities, which require funds to undertake various economic activities. The SHGs may be formed either by male members or by female members or both. It may be registered or un-registered. To bring uniformity in the data, the Self-Help Groups registered under the local self-government units of Kerala linked with Banks form the universe of the study. The following Table gives the cumulative number of registered Self-Help Groups linked with various Banks in Kerala.

<table>
<thead>
<tr>
<th>SSL.No.</th>
<th>Name of District</th>
<th>No. of SHG’s</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Thiruvananthapuram</td>
<td>1828</td>
</tr>
<tr>
<td>2</td>
<td>Kollam</td>
<td>2559</td>
</tr>
<tr>
<td>3</td>
<td>Pathanamthitta</td>
<td>1230</td>
</tr>
<tr>
<td>4</td>
<td>Kottayam</td>
<td>1578</td>
</tr>
<tr>
<td>5</td>
<td>Alappuzha</td>
<td>3598</td>
</tr>
<tr>
<td>6</td>
<td>Idukki</td>
<td>4827</td>
</tr>
<tr>
<td>7</td>
<td>Ernakulam</td>
<td>2281</td>
</tr>
<tr>
<td>8</td>
<td>Thrissur</td>
<td>3568</td>
</tr>
<tr>
<td>9</td>
<td>Palakkad</td>
<td>1060</td>
</tr>
<tr>
<td>10</td>
<td>Malappuram</td>
<td>3303</td>
</tr>
<tr>
<td>11</td>
<td>Kozhikode</td>
<td>1476</td>
</tr>
<tr>
<td>12</td>
<td>Wayanad</td>
<td>2062</td>
</tr>
<tr>
<td>13</td>
<td>Kannur</td>
<td>3815</td>
</tr>
<tr>
<td>14</td>
<td>Kasaragod</td>
<td>543</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>33728</td>
</tr>
</tbody>
</table>

(Source: NABARD report 2011)
1.13.5 Sampling Design

The study was confined to the State of Kerala. Multi-stage random sampling has been applied for the selection of the sample. In the first stage, the whole State is divided into three regions, South, Central and North. From each region, a district was selected on a random basis. The districts selected were Kollam, Kottayam and Malappuram. The following Table lists the districts in the three regions.

Table 1.4 Regional Categorization of Districts

<table>
<thead>
<tr>
<th>South</th>
<th>Central</th>
<th>North</th>
</tr>
</thead>
<tbody>
<tr>
<td>Thiruvanathapuram</td>
<td>Kottayam</td>
<td>Palakkad</td>
</tr>
<tr>
<td>Kollam</td>
<td>Idukki</td>
<td>Malappuram</td>
</tr>
<tr>
<td>Pathanamthitta</td>
<td>Ernakulam</td>
<td>Kozhikode</td>
</tr>
<tr>
<td>Alappuzha</td>
<td>Thrissur</td>
<td>Wayanad</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Kannur</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Kasaragod</td>
</tr>
</tbody>
</table>

(Source: Field Enquiry)

In the second stage, list of Self-Help Group was taken from the District Kudumbasree Mission offices of the three selected Districts and the required sample SHGs were selected randomly from the list of SHGs of each district identified.

1.13.6 Pilot Study

A pilot study was conducted using the preliminary Interview Schedule among fifty Self Help Group from the three selected districts. The collected data from the fifty SHGs were studied in detail with the variance reported, to incorporate changes in the preliminary interview schedule. Thus, a Reliability Analysis was done on the responses pertaining to financial, production and
marketing problems collected, based on a number of statements recorded on a five-point scale. The classical Cronbach Alpha Model for reliability was attempted. The procedure started with all the statements considered and sequentially eliminating those statements, whose elimination might improve the Alpha value. The initial schedule contained 19 statements describing four Financial Problems, 28 statements describing five Production Problems, and 22 statements describing five Marketing Problems. The 28 statements relating to Production Problems were reduced to 23 through a reliability analysis performed in a sequence, after eliminating those statements whose elimination might improve the Alpha value. The final Alpha value obtained was 0.948 after eliminating 5 statements under Production Problems. The 19 statements describing Financial Problems and 22 statements describing Marketing Problems were not eliminated, when further elimination would not improve the Alpha value. Thus, a total of 66 statements turned out to be reliable at a high level to describe the Financial, Production and Marketing Problems of Self-Help Groups in Kerala.

1.13.7 Sample Size

The sixty-six statements relating to finance, production and marketing problems of Self-Help Groups were used to determine the sample size. The modified data after Reliability Analysis, collected from the fifty SHGs, were studied in detail to identify the extent of variations in the responses. For an assumed level of 10 per cent error in the estimate of means of these 66 responses using the information on variance from the pilot study, the sample size was obtained based on each response. The formula used is $n \geq \frac{(1.96s/d)^2}{1}$.

Where ‘$n$’ is the sample size, ‘$s$’ is the estimate of standard deviation, ‘$d$’ is the standard error of the estimation of population parameter and the value 1.96 is the critical value from normal test at 10 per cent level of significance. The
sample size of 338 calculated was the maximum among the sample sizes obtained from responses for all the statements. Hence, the sample size was fixed at 350. This sample size allocated to the three selected districts based on the proportion of SHGs in each district, as shown in Table 1.3.

<table>
<thead>
<tr>
<th>SSL.No.</th>
<th>Name of district</th>
<th>Number of SHGs</th>
<th>Sample size allocation</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Kollam</td>
<td>2559(34.39)</td>
<td>120</td>
</tr>
<tr>
<td>2</td>
<td>Kottayam</td>
<td>1578(21.21)</td>
<td>75</td>
</tr>
<tr>
<td>3</td>
<td>Malappuram</td>
<td>3303(44.40)</td>
<td>155</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>7440(100)</td>
<td>350</td>
</tr>
</tbody>
</table>

(Source: Survey Data)

The proportion of SHGs in the three selected districts-Kollam, Kottayam, and Malappuram- has been distributed at 34.39 per cent, 21.21 per cent and 44.40 per cent respectively. Hence, the sample size of SHG for each district is restricted to 120 (Kollam), 75 (Kottayam), and 155 (Malappuram), selected at random.

1.14 Tools Used for Analysis

1. **Freidman Test**

Friedman test is a non-parametric test that compares two or more variables. This test first ranks the values in each from low to high. The ranks assigned by the respondents for the variables are averaged and tested to find out whether the mean rank variation is significant or not.

2. **Chi-square Test**

The Chi-square test is applied to test whether there is a significant association between two categorical variables, with classical test for independence.
3. **One-way ANOVA**

   The One-way ANOVA is used to determine whether there are any significant differences among the means of three or more independent groups (populations). It is a way to test the equality of three or more means at one time by using variances.

4. **Two-way ANOVA**

   In statistics, the Two-way Analysis of Variance (Two-way ANOVA) test is an extension of the one-way ANOVA test that examines the influence of different categorical independent variable on one dependent variable. While the one-way ANOVA measures the significant effect of one independent variable (IV), the two-way ANOVA is used when there are more than one IV and multiple observations for each IV. The two-way ANOVA can, not only determine the main effect of contributions of each IV but also identify if there is a significant interaction effect between the IVs.

5. **MANOVA**

   MANOVA (Multivariate Analysis of Variance) is a type of analysis used to analyse data that involve more than one dependent variable at a time. MANOVA allows us to test the hypothesis regarding the effect of one or more independent variables on two or more dependent variables.

6. **Factor Analysis**

   Factor Analysis, through Principal Component Analysis, is a method used for data reduction, typically performed when a researcher does not want to include all of the original measures in analyses but still wants to work with the information that they contain.
7. **Multiple Discriminant Analysis**

Discriminant Function Analysis (DFA) undertakes the same task as Multiple Linear Regression by predicting an outcome. It investigates the differences between groups on the basis of the attributes of the cases, indicating which attributes contribute most to group separation.

1.15 **Important Terms and Concepts Used**

1. **Self-Help Groups**

Self-Help Groups are voluntary, small group structures for mutual aid and the accomplishment of a special purpose. In this study, SHGs would stand for the SHGs/NHGs of Kudumbasree registered in the local self-government of Kerala.

The activities undertaken by SHGs are classified into seven broad categories. They are Food processing, Animal husbandry, Dress material, Agriculture, Hotel and Catering, Furniture and Wooden product making and other products.

a) **Food Processing** is the transformation of raw ingredients into food, or of food into other forms. The Self-Help Groups in Kerala are mainly concentrated in Curry powder making, Bakery product making, Pickle making, Rice powder making and coconut product making activities.

b) **Animal husbandry** is the management and care of farm animals by humans for profit. In Kerala, SHGs are involved in Cattle, Goat, Pig, Duck, Chicken, Rabbit and Poultry farms. The Milk, Meat, Eggs, milk products, leather and flesh form the important output for most of the Units.
c) **Dress material**: Self-Help Groups are mainly focused on making of ladies’ and kids’ items. Some of the SHGs are involved in the decoration activities of dress materials.

d) **Agriculture**, also called farming, is concerned with the cultivation of plants, and other life forms for food, fibre, medicinal and other products used to sustain and enhance human life. Most of the SHGs are engaged in processing fruits and vegetables. They also include rice cultivation units, vegetable cultivation units and banana cultivation units.

e) **Hotel and Catering** is the business of providing food service. The SHG units running On-premise and Off-Premise units prepare and cook food at locations at which it is going to be served or bring pre-cooked and pre-prepared food to the event location.

f) **Furniture and wooden units** are mainly concentrated in designing and producing home decorative items, which include Flower-vases, kids’ items, Coffee tables, Match sticks, Doors, Window frames, Music instruments, Charcoal, Tool handles, Ladders, Animal bedding, Brush handles, Desks, etc..

2. **Financial Problems**

The financial problems of Self-Help Groups are studied on the basis of four variables, such as, capital-related problems, bookkeeping-related problems, banking support-related problems, and repayment-related problems. Repayment related problems include irregularity in repayment, using of borrowed funds for repayment of old loans, threat of repayment due to insufficient income, and threat in future development due to loan repayment.
3. Production Problems

The study considers Raw material-related problems, Technology-related problems, Training-related problems, Labour-related problems, and other problems as the five selected variables of production problems. In the case of technological problems, obtaining information about technology is the first important technological problem of Self-Help Groups. Acquiring finance for technology up-gradation, lack of technology guidance, lack of skilled labour to run the technology are also considered as the technological problems of Self-Help Groups. Problems related with breeding and technological issues those related with milk and meat products are the important technological problems faced by the animal husbandry units. Other production problems include lack of power supply, water and drainage problem, under-utilization of capacity, old and orthodox designs, non-consideration of market conditions while producing products and un-awareness about insurance facility.

4. Other Products

‘Other products’ means those products which are not categorized under food processing, animal husbandry and fisheries, dress material, agriculture, hotel/catering and furniture/wooden products. They include Coir-making units, toy-making units, paper plate making units, ornament making-units, etc…

5. Raw Material of Animal Husbandry Unit

Raw material of animal husbandry unit refers particularly to food and water given to the animals; including plants cut, and feed grains. Traditional sources of animal feed include household food scraps and the byproducts of food processing industries such as milling and brewing.
1.16 Limitations of the Study

As limitations are common for almost all the studies in social survey, the present study is also subject to certain limitations. The Following are the limitations of the study.

1) Most of the primary data collected from the respondents are based on the recall method and are therefore subject to normal recall error.

2) Some of the respondents were reluctant to reveal all the information required as per the schedule because of their low profile.

3) Most of the women micro-entrepreneurs were not in the habit of maintaining proper accounts and so they found it difficult to answer the schedule.

4) The production and marketing of each category of SHGs are different; so an in-depth study is not possible in general.

5) Since the sample respondents were 350 from Kerala State and excluded the un-registered SHGs in the local self government units, as their population is unpredictable, the conclusions may be applicable only to the Kerala situation.

1.17 Schemes of Presentation

The thesis is presented in six chapters:

1) Introduction
2) Theoretical Framework
3) Profile and Financial Details of SHGs
4) Financial and production problems of SHGs
5) Marketing problems of SHGs
6) Summary of Findings, Conclusions and Recommendations.
Chapter 1

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