

## Study on Obstacles in the Pathway of Starting and Operating MFIs Especially SHGs in India


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In India, most of them live in the countryside and are engaged in odd jobs. Due to the lack of employment in rural areas, people are migrating to metropolitan areas. Microcredit serves those who are often overlooked in society such as women and the disabled. Microcredit cannot exist without microfinance institutions. In India microfinance operates through two channels: 1. SHG – Bank Linkage Programme (SBLP) 2. Micro Finance Institutions (MFIs). The aim of the present study is to find out the obstacles in the pathway of SHG members in starting, operating, and promoting their businesses. As such a study requires in-depth exploration of SHG member's conditions, their experiences and the problems they face in operating their business so researcher adopt a qualitative methodology to address the research agenda. The researcher concludes that at the very initial stage SHG members get support from the government in terms of getting guidance about how SHG scheme works and how SHG scheme works but still they face problems due to strict social norms that do not allow them to work beyond the boundaries for their home. Also, psychological issues like lack of confidence, lack of communication skills possess problems in their way. At operational stage training related problems and chances of falling into debt due to frauds and high competition in the market are the biggest problems for them. But major comes at promotional stage and this stage is important because failure at this point will put members in huge losses. SHG members face trouble in selling what they have produce because as per today's trend they are not able to market products like through online platforms.

**Keywords:** Microfinance institution, SHG (Self-Help Group), SARAS AJEEVIKA MELA, Women empowerment, Financial Inclusion

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## Introduction

India has the largest population after China i.e. approx. 1.2 billion people. More than 800 million people are considered to be below poverty line. Most of them live in rural areas and are engaged in odd jobs. Due to lack of employment in rural areas people are migrating to metropolitan areas. Most of these individuals are living in mega slum areas without electricity and clean drinking water. They are living in poor hygiene conditions which further leads to poor health conditions of slum people. 60% of the people living in rural areas are dependent upon agricultural activities they need finance to carry on their agricultural activities or to start small businesses but sadly they have very low access to institutional credit because of a lot of paper work involved, they don't have collateral security also they don't have a steady source of income. So, for them microcredit is the best way to arrange finance. Microcredit is an extremely small loan given to poor people who aim to start their own business but are unable to obtain financial backing. Microcredit is one of the best ways of extending a small loan in the various forms such as credit, saving or insurance products. Microcredit is the best way of becoming financially independent for poor individuals. Often it takes one incident to send back the family of rural area into poverty. Microcredit gives them opportunity to make through tough times. Microcredit serves those who are often overlooked in society such as women and disabled. Microcredit cannot exist without microfinance institutions. In India microfinance operates through two channels: 1. SHG - Bank Linkage Programme (SBLP) 2. Micro Finance Institutions (MFIs). Role of women in society is not only limited to taking care of their family but they are also involved in earning and economic activities. In labour market the number of female workers is increasing rapidly. Frequently, it is seen that they are the sole breadwinner of the family and they play a crucial role in managing finance of their families. Also, women are better in social networking than men as they always like to talk, discuss and share. They are good in understanding another person's need. They also have good tolerance, patience and capability of multitasking. So, SHG is an innovative setup for upliftment and welfare of women in India. Through SHG microcredit is being provided to the rural women to make them resourceful enough to enter into entrepreneurial activities.

Through these groups rural people come together for common purpose generally to get out of poverty.

A rural poor is generally incapacitated to start his/her own business due to various reasons such as illiteracy, low motivation and poor economic base. However, when these poor individuals come into a group they are empowered to overcome many of their weaknesses. SHGs are needed to mobilize the limited resources of the individual members for their collective economic development, to upgrade their living conditions, to create a habit of savings, to mobilize individual skill set for group's interest, to give financial assistance when needed, to develop the skill of entrepreneurship, to get into skill development training programme, to act as a media for socio-economic development of village, to gain mutual understanding, develop trust and self-confidence. SHG-Bank Linkage Programme was designed as a partnership between three agencies, viz., the SHGs, Banks and Non-Government Organization. Generally, all the members of SHGs should belong to families which are below poverty line. SHGs evolution involves three stages.

At first level, SHG members use their small savings to meet their requirement of survival and to give themselves liquidity in tough times. At second level funds are utilised to get income generating activities. At third level microfinance is used to set up an enterprise. Existence of SHGs is very important to uplift people who are below poverty line by providing them enough funds to start their own business by upscaling their skills. NABARD an apex improvement financial institution has found ways for solving difficulties. One of the significant models is of SHG. In 1991-92 NABARD objective was to form 500 SHGs. In 1993 RBI permitted SHGs to open saving records in banks. In 1996, RBI mainstreamed the financing to SHG into the ordinary activities of the banks. Over the time of 25 years, SHG-Bank linkage program has become the world largest microfinance program. As per NABARD's own research there are major challenges which are to be dealt while starting and operating SHGs. The purpose of this research is to figure out the obstacles faced by SHGs in starting and operating their SHGs in India also include what difficulties they face at personal, social, political and at operational level in operating, running and promoting their business through SHGs. This research involves personal interviews with SHGs to figure out personally the problems

SHGs members face in running and operating their business in various trade fairs specially organised for SHGs in different cities under the "sarvas ajeevika program."

After discussing the relevance of the present study, the remainder of this paper is organised as follows: Section 2 reviews the existing literature on SHGs and microfinance institutions. Section 3 explains the methodology adopted and its applicability in the present context, followed by research findings and discussion in Section 4. The paper concludes with implications and limitations in the Section 5.

### Review of Literature

1. Mohd, S. (2018, November 5). Researcher in this paper talks about role and importance of microfinance in India, delivery model of microfinance in India and has examine the current status and performance of microfinance institution in India to which he has conclude that over the year 2012-2013 to 2016- 2017 MFI's gaining confidence of clients as well as with the lending institutions. One of the key finding of this study is that small sized of MFI's are rural centric. The proportion of income generation loan remained same during the next year i.e. 2015. During the year 2016 it increased up to 94 per cent. In the year 2017 the proportion of income generation loan to non-income generation loan is 85:15.

2. Narwal, K. P., S. P., & Yadav, M. K. (2014, June 9). Researcher in this paper examines the performance of banks and microfinance institutions in India over the period of six years i.e. 2006-07 to 2011-12 and for the research purpose he uses descriptive statistics and the results of it has shown that MFIs use more debt in compare to banks it is because very few microfinance institutions take deposit while bank take deposits. Operating expenses on assets are also high in MFIs compare to banks. ROE is 0.136 in banks and 0.206 in microfinance institutions indicating that investors are getting more return on equity in microfinance institutions. It may be because investors are less in microfinance institutions in compare to banks.

3. Tripathi, V., & Tripathi, V. (2014, July 05). Researchers have traced the development of mechanisms related to credit risk measurement in MFIs. They have showed how can MFIs reach to the poorest section of society in the most effective

Manner by using innovative strategies such as strategies related to group lending, collateral substitutes, regular repayment etc.

4. MAHANTA, P., PANDA, G., & KUMAR, S. (2012, November 11). In this paper researcher talks about three aspects of microfinance: First is about growth of microfinance and second about the role played by NABARD and other national banks in growth of SHGs and Grameen bank and third it's about the government role in framing legislation for protection of micro borrower's rights. In this paper they have also talked about the need of a regulatory body to regulate, develop and guide the numerous MFIs and NGOs who work as micro creditors.

5. Pangannavar, D. Y. (2014, July 10). In this paper researcher has assessed the development and growth of SHGs in Begaum District during 2003-2010 and have assessed growth in terms of size, membership, savings accumulation, fund accumulation and loan disbursement. And here researcher find out that during 2005-06 SHG program was not popular in the district because development of fund was not attractive to meet the financial requisites of the members. Also, the joint responsibility in SHG discouraged the women to join SHG movement. Government, NGOs and voluntary private associations need to motivate individuals for the development of SHGs in the district.

6. Pereira, D. (2022, January). Researcher objective was to assess the socio- economic impact of microfinance on the members of SHGs and to find out the improvement in the level of social empowerment of women after joining SHGs. Researcher comes up with the conclusion that there is increase in the social freedom among, household autonomy, decision making power relating to family matters, awareness and knowledge about various political and legal matters after joining the SHGs. Thus, there is positive social impact of the microfinance on the social empowerment of SHGs women

7. Gayathri, D., & Sridhar, D. (2015, August). Researcher has the objective of finding out the approaches of SKDRDP microfinance in including the excluded section of the society and explain the role and importance of financial inclusion in Indian Financial System. He has come up with the conclusion that commercial banks have played crucial role in growth and advancement

Of urban areas but rural areas are not given much importance. Share of smaller credit in the total credit disbursed by the scheduled commercial banks, has been decreased to a very insignificant proportion. Smaller credit represents the poor, unprivileged people and its diminishing share shows that these people are not being provided with the adequate credit.

8. Kumar, S. (2018, August 08). Researcher aim was to identify the socioeconomic empowerment of women in Yamunanagar district through self-help group. And for research purpose researcher has used descriptive research and stratified sampling method and have find out that 64% women are belonging to single and 36 % belong to joint family. · 87% women are married and 13% women are unmarried to all category. · 83% women are literate and 17% are illiterate. · 42% literate middle level, 36% literate ser. Secondary level and 5% literate graduation level or above. · 5% women to join SHG's to support family, 16% to income generation, 77% to join loan purpose and 2% to join social purpose. · 100% member is bank a/c holder, 82% have a debit or credit card, 40% have a pen card and 23% member of SHG's has taken any insurance policy. · 48% women believe that SHG's helpful in women empowerment but 52% not. According to 50% women SHG's working tools and process is sufficient. At end researcher has concluded that status of women after joining self-help group have improved. Thus, SHG's play major role in poverty reduction process in rural area. SHG's have a greater impact on both social as well as economic situation of the poor persons.

9. FALAQ, A., & PRAKASH, D. (2021, August). Researcher objective of the study was to contemplate the difficulties looked by banking sector in giving credit to SHGs and to examine the significance and need of digitization of SHGs. Researcher concluded that there are various difficulties for reinforcing the credit conveyance frameworks to poor people. Digitisation of SHGs is one of the best method of meeting the difficulties for reinforcing the credit conveyance frameworks to the poor section of society especially ladies. EShakti project makes ready for credit linkage of SHGs by giving system in overcoming any barrier between saving connected and credit connected SHGs. The development of SHG bank linkage program in India is normal in twofold after execution of EShakti project. Digitization of SHGs will be a mutually

Advantageous arrangement for banks as it will ready to save time, cash and exertion with the accessible valid information of SHGs in giving credit linkage to SHGs.

10. Rawat, R. (2014, November/December). In this paper researcher has analysed the impact of microfinance in empowerment and social upliftment of rural women in Derabassi Block of Mohali District, Punjab and have concluded that "self-help group" is the most attractive scheme with less effort. It is the best weapon to reduce poverty and to promote self - employment. The Result Shows That Self Help Groups Are Positively Influencing the Social, Economic and Political Aspects for Rural Women but The Social upliftment Was Maximum Through These Programmes as Compared To Economic And Political Empowerment.

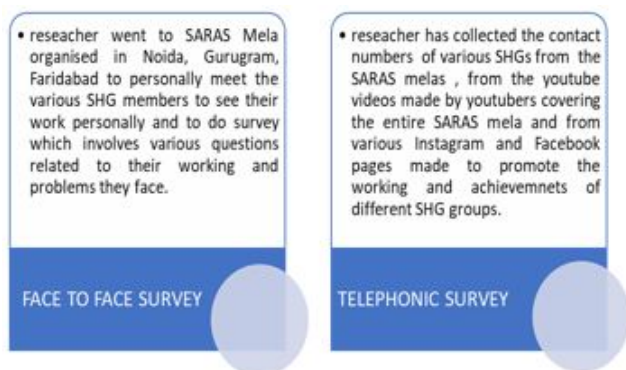
11. M., V. K., & R., V. C. (2022, March). In this research paper researcher have studied about the progress of SHGs and have find out the issues that women face in SHGs in term of empowerment. The authors reviewed many journals and prepared a questionnaire containing 16 questions, and direct interviews were conducted to get the right answer. Researcher have found out that most of the SHG members are literate and each group consists at least 10 to 12 members. To increase their savings and credit limits some of the women have joined two groups. Initiative of managing, creating and controlling self-help groups are taken by educated women. URBAN self-help groups are linked with nationalized banks and NGOs. Banks are providing financial assistance to SHGs. The major purpose of joining SHGs is to increase you saving habits. Findings: 1) Most of the urban SHG members are literate. 2. In urban areas, self-help groups consist of 10 to 20 members. 3. Some of the women have joined two groups, increasing their savings and credit limits. 4. Educated women are taking the initiative to create, manage, and control self-help group activities. 5. Weekly or monthly meetings are organized in SHGs. 6. Urban self-help groups are linked with nationalized banks and NGOs. 7. Banks are providing financial assistance to urban self-help groups. 8. Urban self-help groups' members come from nuclear families. 9. The family's total income per month is below Rs. 25,000. 10. The major purpose of joining SHGs is to increase your savings habit and take a loan from it. A business loan is utilized by the members to run their own business or to support their family business, to clear a family debt, or complete their children's education needs.

12. Thileepan, M. (2013, December). In this research paper researcher concluded that central, state governments, non-governmental organizations banks, NABARD and various micro finance institutions have taken so many steps to train SHG members in skills related to marketing, communication, leadership, team building etc. apart from just providing various types of incentives and subsidy. So, no doubt that the SHGs movement in India has been working in the right direction, but it is necessary to further empowerment of women in social, economic, cultural and political for the interest of the family in particular and the nation in general.

## Research Methodology

Qualitative studies permit the analysis and interpretation of phenomenological narratives of the informants beyond the restrictions of the rigid empirical framework. One of the prestigious government initiatives was the SARAS Mela. SARAS Mela is an initiative by the DEENDAYAL Antyodya Yojana – National Rural Livelihoods Mission (DAY-NRLM), Ministry of Rural Development (MoRD), Govt. of India to bring rural women SHG members formed under DAY-NRLM, in one platform to showcase their skills, sell and build linkages with potential market players in a fair price. SARAS Mela provides a national level exposure to understand the demand and taste of the urban customers in metro cities. During the period of my research SARAS melas were still going on. So, for the purpose of the study researcher has went to these melas organised in SURAJ KUND MELA, FARIDABAD; Saras Jeevika Mela 2022 organised at Noida Haat, Sector 33, NOIDA; Saras Mela in Gurugram at leisure valley ground, Sector 29.

Researcher has conducted a SURVEY in two ways



**Figure:1 Research methodology snapshot**

Figure 1 presents a snapshot of the methodology followed in the study that starts with an enlisting potential ways of contacting SHGs, Visiting the various survey areas to conduct face to face survey , collecting data through in-depth semi-structured telephonic survey and Sending messages on Instagram and Facebook pages of SHG members requesting them for interaction.

### **STEP 1: enlisting potential ways of contacting SHGs**

- visiting various SARAS melas organized in NOIDA, FARIDABAD, GURUGRAM.
- Through contact numbers of various SHG members collected from YouTube videos covering various SHG stalls in SARAS melas
- sending request messages to various Instagram and Facebook pages promoting SHGs for their contact details.
- contacting the organizers of SARAS Melas.

### **STEP 2: conducting face to face survey**

- visited by saras mela organised in NOIDA, GURUGRAM AND FARIDABAD
- 13 interviews were taken by researcher.

### **STEP 3: conducting telephonic survey**

- contact number obtained by watching various youtube videos covering SARAS melas as number by SHG members were displayed in the flex banners.
- further asking contact details of other shgs inviewed so far
- 30 contact details were obtained by researcher and only 17 responded and share their details.

### **STEP 4: contact various Instagram and Facebook admins who post success stories of various SHGs.**

- Response rate was 0%

The survey/ interview demonstrates “acting in good faith” because complete objectivity is not always possible in social research.

Semi -structured interview method is best for in depth analysis as it permits open and detailed discussion with informants while leaving enough scope for further questioning. Exhibit 1 compiles the list of question posed:

## **Findings and Discussion**

An exciting aspect of qualitative research is that data analysis occurs with data collection.

In this paper, we follow (Ritchie and Spencer's (2002). interconnected five stages process to analyse the data. The stages are familiarisation, identifying a thematic framework, indexing, charting and mapping and interpretation.

Familiarisation involves reading a raw data gathered from the in-depth interviews. Face to face and telephonic interviews were conducted and recorded. After that observational notes and summary notes were prepared of these interviews.

Preliminary analysis that emerges from this stage states that at initial stage, rural women are facing a lot of problems but government plans have somehow managed to resolve most of these problems by providing proper guidance regarding how to successfully start their business. Also, time to time rural women are given opportunity to upgrade their skills by joining the training programmes. SHG women are provided with loan whenever they required at reasonable rate and at easy repayment terms. But at final stage when rural women are ready to sell their products they face a lot of issues in reaching to the ultimate customer.

Further to correctly understand the obstacles SHG members have to face in starting, operating and promoting multiple leading questions were asked from each informant along with cross questions. The responses from informant revealed underlying themes and subthemes that are presented in figure 2. This approach is based on Gioia methodology (Gioia, D.A., Corley, K.G. and Hamilton, A.L. (2013), to index, classify, sort, compared contrast the data items to map them into similar themes.

**THEME 1: INITIAL INHIBITIONS: The inference for this theme is derived from Q 1, 2 and 3 (refer to Exhibit 1).**

### **Psychological Inhibition**

Life of rural women generally revolves around their personal space i.e. their homes. Rarely they go outside their village area so they do not know how to interact with people and how to speak in front of large audience. Also, most of them are not well educated.

Because of all this they face communication issue while interacting with customers. They have a fear of being cheated by others.

In starting there was lack of confidence in them because of lack of knowledge, experience and direction.

### **Social Norms**

Married rural women are not allowed to do anything without the permission of their husband and in-laws.

Most of the male members were not in support of their wives when they take the decision of joining SHG group to earn the bread for their family. No matter how poor their situation is but male dominating society was not allowing them to work outside their homes. It was tough for those women to work against the wishes of their family members.

Constant taunting and interference of their family members was the reason of their initial fear and low confidence. They were forced to maintain the balance between their house chores work and work of SHG.

First they complete the daily chores work then only they were allowed to go outside but most of the time they left with no time to contribute in the work of SHG. Not only this they are facing constant degrading allegation from society about their character as they have to talk to outsiders to make connections for the purpose of their business and in rural area women are under veil and are not allowed to talk to men other than husband.

### **Initial Losses**

In starting, SHG members face problem in arranging raw material for their business at reasonable rates. As they do not have knowledge of doing business before so they end up buying low quality material at high rates which at end increase their cost of manufacturing.

Because of high cost their profit margin decreases and they fail to pay the interest or make the repayment of initial loans. Training provided to SHG members are generally of a week.

In that less span of time members do not get the chance to practice. So, when they started their work initial wastages were high.

### **THEME 2: OBSTACLES AT OPERATIONAL STAGE: The inference for this theme is derived from Q 4 (refer to Exhibit 1).**

#### **Training Related Problem**

As per government arrangements related to training generally women of same locality and colony get the training at the same time and in the same batch. If women of same group are working in similar products they will definitely become competition for each other and further this lead to decrease in profit margin.

It is important that number of training programs get increase and also women must give chance to decide in which field they want training and which product they want to manufacture. First, they should be provided with information regarding what skills they can learn then they should be given chance to decide training of which field they want. Also because of short duration of training members fails to get specialise in particular skill which further resulted into poor quality of their product.

#### **Chances of Fraud**

Researcher came across various frauds that SHG members have faced while interviewing them. Rural women do not have enough finance to bear any kind loss due to fraud.

Most of the time they took loan to expand their operations. One of the respondents told the researcher that "There was a fair in Goa and I was selected to go there. I was told to pack the pickle in a glass vessel for the same I took loan to buy glass vessels. But just four days before leaving I got to know they have cancelled my visit to the mela in Goa.

Now I left with no option but to sale the same pickle at the same rate in the village itself. Also have to pay the loan amount." It became very difficult for rural women to bear such losses. In this situation above respondent have to bear the loss of glass container along with that the loss of interest she has to pay in return of the loan she took to finance her purchase of container.

One more respondent informed that "There was a scheme from the government in which the women of Saras were asked to make sanitary napkins of costing rupees 20. We manufacture those napkins and sell it to authorised people at 7.50

Because rupees 11.5 we were supposed to get from government in the form of subsidy. But that subsidy we never received when we asked the officers they said some fraud has happened now u will not receive that money." From above it is easy to conclude that government have provided the subsidy amount but it did not reach the members because of loopholes in the arrangements and functioning of government the loss was faced by the SHG members. One fraud is enough to send back rural women I the situation of debt. Among 30 respondents almost 4 frauds come into the knowledge of researcher.

Accordingly, we can conclude that fraud practiced in the system is one of the biggest obstacles in the operations of SHG.

#### **Other Operating Issues**

SHG members fails to further expand their operations after a point because they need big machineries for that and they cannot afford it. Government provides loan for it but as there is no confirmation that expansion will work. So, SHG members avoid taking that risk. Competition in the market is high. Good packaging and branding is important to survive in the market and to attract customers. Rural women don't have required experience and enough knowledge in this compare to other brands in the market.

### **THEME 3: OBSTACLES AT PROMOTIONAL LEVEL:**

The inference for this theme is derived from Q5 (refer to Exhibit 1).

#### **Problem In Selling**

Apart from melas, SHG members have no platform to sell and promote their products. They face a lot of problems in selling goods. There market remains limited within the boundaries of their village. In today's era online selling and marketing is the best way to reach the large audience. SHG women are not well equipped with technical knowledge and advance applications that are needed for online marketing and selling.

Every SHG group did not get the chance to go to the fair and that is the best chance for them to make business connections beyond their village boundaries. Otherwise they do not get the chance to increase their market and sell their products.



Among 30 respondents every respondent faces the problem in the marketing and selling their products. For sale from outlets it is important to have good display of products because that attract the customer. But in melas there is no facility for food display. SHG members face problem in attracting customers to their stalls. People in rural areas have low income, low purchasing power, low literacy rate and therefore low standard of living which restrict their buying ability and pace of adopting products.

**Problem in Marketing**

Mind set of rural segment people is different. They purchase product only when they actually need it and they do not like trying new things.

Most of the villages are not connected to the main road properly specially during monsoon villages are disconnected for a longer time. So, lack of transportation hinders marketing activities.

Language is different from state to state and area to area in the same state. Multiplicity of languages spoken in rural areas makes marketing activities difficult.

“I did not get any support from my husband and in-laws. They were not happy when I joined the SHG group and decide to earn. So, it was tough for me in the starting because it’s not normal in our society to do anything against the wishes of in-laws.”  
 “When I joined SHG society degrade me by passing mean comments on my character. So, it was tough in the starting to continue my work.”

“I was scared to go to a meeting in initial day as I had never spoke in front of so many people. I was not able to convey my point properly as I was lacking communication skill as well.”  
 “We the women of the village are not much educated, so in the beginning there was a fear.”

“In initial days I have suffer huge losses because I don’t have enough knowledge about from where to get the raw material at reasonable rates. Also transport facility in villages are not that good.”  
 Training to make products were provided but we were not able to practice there so when we start doing our work initially wastages were high.

**INITIAL INHIBITIONS**

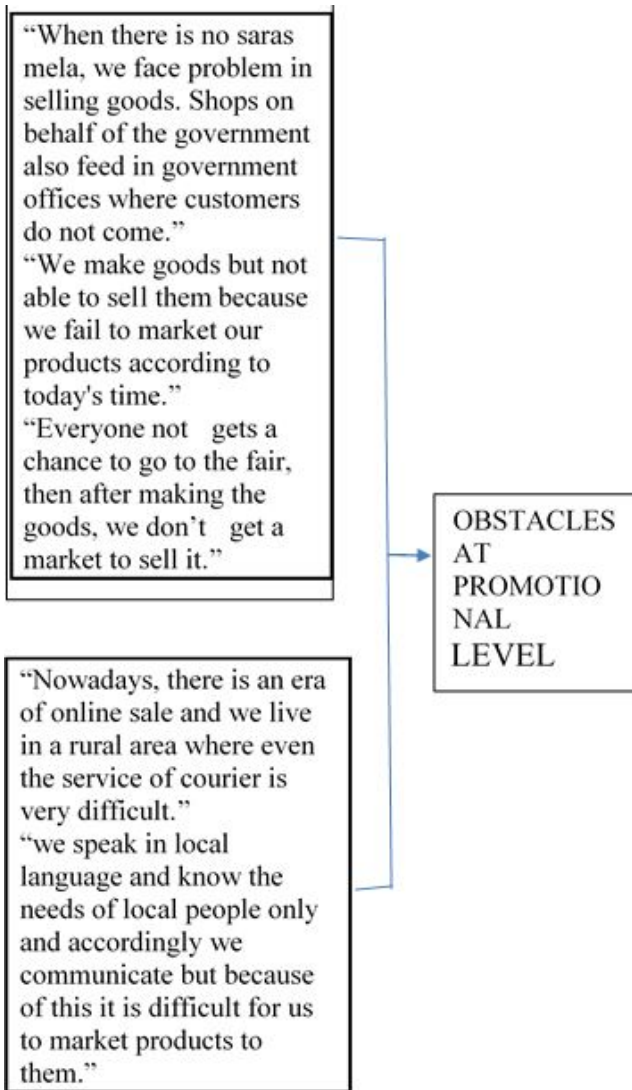
1) “The group formed for training consists of women who are from the same locality and they are getting training of the same skill, then later they become competitors and at last they have compromise their profit margin to survive.”  
 2) Training is of very short duration, due to this, we are not able to make good quality products.

“There was a fair in Goa and I was selected to go there. I was told to pack the pickle in a glass vessel for the same I took loan to buy glass vessels. But just four days before leaving I got to know they have cancelled my visit to the mela in Goa. Now I left with no option but to sale the same pickle at the same rate in the village itself. Also have to pay the loan amount.”

“Can’t buy big machinery to make good quality products.”  
 “The competition is too much to stay in the market requires good packaging and branding in which we do not have experience and enough knowledge.”

**OBSTACLES AT OPERATIONAL STAGE**





**SARAS AAJEVIKA MELA**

It is an initiative under Deendayal Antyodaya Yojana – National Rural Livelihoods Mission (DAY-NRLM). The purpose of this program is to transform the lives of rural women. The objective of the initiative is to bring the rural women who are members of SHGs under one platform where they can show-case their skills, sell their products and build linkages with buyers. With this initiative rural women will get exposure to understand the demand of urban customers. It means we can say that these melas are for welfare of rural women. But after interviewing these SHG women who have put their stalls in SARAS MELA of Noida, Gurugram and Faridabad researcher has come across the various problems these women have to face there which ultimately defeating the purpose of these SARAS Melas. The obstacles have been identified from the responses to question no. 5 (refer Exhibit 1).

**Allowances Received Late:** Travelling and food allowances are provided to SHG members who went to SARAS Mela. But it takes more than a year to receive. So, initially members have to pay expenses on their own and it's tough for them to arrange that amount specially when they have to go big metro cities like Chandigarh, Goa, Mumbai, Bangalore etc. In such situation they usually prefer not to go and with that they lose the opportunity to sell their products outside.

**Poor Accommodation Facility:** facility of accommodation is being provided by government but there is no point of providing a facility if that is of poor quality. One of the respondents replied in response to question 5 (refer exhibit 1) “In Gurugram, where we stayed, the rooms were very dirty, there was no cleanliness at all and in such a heat almost 30-35 women were staying in a big hall with just a facility of fans only. There was nothing in the room except the mattresses, nor were there any sheets and pillows. The bathrooms were very dirty and no water facility in the washrooms, in a hall, the snake had also come out. The mosquitoes were too much and we were not able to sleep there.” Most of the responses were like that. Because of poor sanitation in the rooms and toilets a lot of women fell ill and they fail to continue their work in mela.

**Improper Arrangements at the Mela**

In this hot season, only one stall was given in which there was no fan or any other facility and only one table was given to sell the goods. There was no scope to display goods in a good manner to attract visitors. In Suraj Kund mela of Faridabad very high and inappropriate spot was given to the SHG groups where there was very less scope of visitors to visit. Front spot was given to private sellers in return of payment. The saras ground was all covered with soil because of which articles of sellers were getting dirty. Also, facility of clean drinking water was not timely available. There was no facility of food in the nearby locality of the mela. Women have to depend on their husbands or male members to arrange food for them because they themselves were afraid to go anywhere in a new city.

**Poor Security System in the Melas**

Stalls in the mela of Faridabad and Gurugram were open there was no lock and security system.

Sellers have face huge losses as lot of theft practices were performed there. CCTV cameras were also not there. Sellers were already in loss as there was poor sales in the mela further theft practices discourage them and have given them valid reasons to not participate in these melas next time.

Wrong Season and Timings for Mela: Generally, Saras melas were organised in the months of November to March. But this year they are organised in the most hot months of the seasons because of which there were very less visitors in the mela also morning timings of the mela were very much inappropriate specially when melas were organized in open grounds.

Poor Marketing: Whole year SHG members wait for the saras melas to sell their products. So, it is important to market well in advance about such melas but this time there was no marketing even the locals of the nearby area did not know about the saras mela because of which there were very less visitors.

Stalls Selling to Private Vendors: SARAS Melas are organized to promote the handicrafts business of India that is why most of the stalls are allocated to handicrafts sellers but researcher when visit the mela she observed that most of the stalls of handicrafts were occupied by local businesses mans of the nearby city. Further from many respondents she gets to know the stalls of handicrafts are being sold to local vendors of the city who were selling suits, sarees and women jewelries. These products attract customer more so visitor end up spending there all money in these products than the handicraft items.

## Conclusion

The study provides profound insights into the obstacles SHG members face at different stages i.e. at starting, operating and promoting stage. At the very initial stage SHG members get support from government in terms of getting guidance about how SHG scheme works and how SHG scheme works and how this will benefit them in improving their financial situation along with the loans at very reasonable rates they get without any collateral security on the name of their SHG group which help them in starting their business smoothly. Apart from this they are provided with training

Opportunity in various skills. But still they face problems due to strict social norms that do not allow them to work beyond the boundaries for their home. Also, psychological issues like lack of confidence, lack of communication skills possess problem in their way. At operational stage training related problems and chances of falling into debt due to frauds and high competition in the market are the biggest problems for them. But major comes at promotional stage and this stage is important because failure at this point will put members in huge losses. SHG members face trouble in selling what they have produce because as per today's trend they are not able to market products like through online platforms. Because of language constraint they fail to make connection with urban customers. Major problems they face when they went to Saras mela which generally organised in metro cities. Poor accommodation facility and improper arrangements at the melas is the biggest disappointment as saras melas are for welfare of women and hygiene is very important for women. Specially when they have to stay there for almost 15-20 days. Poor marketing of the melas add as a biggest disadvantage for SHG rural women because of which there are very less visitors. Marketing of these melas is the needed thing to attract urban people. Therefore, from the above researcher has come to the conclusion that still there is a lot of scope for government to improve the problems that SHG members face. A lot of work is needed at ground level because what is promised is not actually practised at ground level.

## Suggestions

1. In order to solve the problems relating to marketing, the state level organisations should extend the activities throughout the state instead of limiting its operations in a particular area.
2. Various SHG functioning in a particular panchayat area can form a particular panchayat area can form a co- operative society. The task of marketing the products of different SHGs should be entrusted to them under a common brand name. Further sales promotion activities and procurement of raw material at reasonable rates should be undertaken by the society.
3. NGOs (Non – Government organisations can play a significant role in empowering women entrepreneurs by providing basic education,

Motivation training etc. All the members of the SHGs does not have the same talent and expertise. Proper training should be import to the inefficient members of the group to make them competent.

4. Travelling and food allowance should be directly deposited to the account of SHG members. Intermediary should be removed to eliminate frauds. Also, procedures relating to providing GST bills and required documents should be done online directly by the SHG.

5. Many respondents wanted sale opportunity whole year. For them food vans can be arranged so that they can easily provide their products outside their village also.

6. SHG members make handmade and organic products that's why they are bit pricey that other competitor's product. So, good marketing of SHG product's and melas should be done.

7. Proper survey of work in the melas should be done by officers to see whether proper arrangements have been made or not and what problems SHG members are facing there

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