CHAPTER - I

INTRODUCTION

1.1 Introduction to Women Empowerment

In the early decades of planning problems of women were looked upon as problems of social welfare, rather than of development. The drawback of the welfare approach was that it did nothing to eliminate the social discrimination against and subordination of women. In almost all plans for poverty alleviation and social change, disadvantaged women became a ‘target’ in developmental activities rather than a group to be co-opted as active participants (Beijing Conference, 1996). Since 1970, policy makers and academicians started thinking as to how development programmes could be linked to poor women. Women issues are development issues and by-passing them in development programmes means leaving almost half of human resources outside development intervention.

Issues of poverty among women are quite distinct and complicated. Their general poverty conditions, morbidity, lack of food, drinking water, and sanitation facilities are some of the major issues that need attention. Female members of a poor household are often worse off than its male members because of gender discrimination in the distribution of food and other entitlements within the household. ‘Increasingly poverty has a woman’s face’ (Human Development Report, 1995). The Human Development Reports of UNDP from 1990 onwards attest to the fact of growing feminization of poverty. Review of policy approaches to women “Nothing, arguably, is as important today in the political economy of development as an adequate recognition of political, economic, and social participation and leadership of women” (Amartya Sen., 1999). While a large part of the world continues to look at women’s issues in terms of paternalism and well-being, the concept of women’s empowerment in the social, political, and economic order as a pre-requisite of human development is hardly given the priority that it deserves. Throughout the Third World, particularly in the past 15 years, there has been a proliferation of policies, programmes, and projects designed to assist low-income women. This concern for low-
Income women’s needs has coincided historically with recognition of their important role in development. Since the 1950’s, many different intervention strategies have been formulated to address women’s needs which reflect changes in macro-level economic and social policy approaches to Third World Development, as well as in state policy towards women, project staff for actively assisting and undertaking the field survey and compiling and tabulating the field data. The welfare approach introduced in the 1950’s and followed through the 1960’s may be considered the earliest policy approach concerned with women in developing countries Here, women are seen as passive recipients of development, rather than participants in the development process. The reproductive role of women is recognized and policy seeks to meet practical gender needs through that role by top-down handouts of food aid, measures against malnutrition, and family planning. As such it did not include women in participatory planning processes. However by 1970, the limitations and the critique of the welfare approach became obvious and resulted in the development of a number of alternative approaches based on equity, poverty alleviation, efficiency, and empowerment. These approaches are not entirely mutually exclusive and have been categorized, in general as the women in development (WID) approach.

The original WID approach was the equity approach, introduced during the 1976-‘85 UN Women’s Decade. Its purpose is to gain equity for women in the development process. Women are seen as active participants in development. It seeks to meet strategic gender needs through direct state intervention giving political and economic autonomy to women, and thus reducing inequality with men. It acknowledges that they must be ‘brought into’ the development process through access to employment and the market place. However, equity programmes encountered problems from the outset. The lack of a single unified indicator of social status and of baseline information about women’s economic, social, and political status meant that there were no standards against which ‘success’ could be measured (USAID, 1978). Politically the majority of development agencies were hostile to the programmes because of their intention to meet not only practical gender needs but also strategic gender needs whose very success depended on an implicit redistribution of power.
The anti-poverty approach, the second WID approach, the ‘toned down’ version of equity was also introduced in the 1970’s. This approach to women focuses mainly on their productive role, on the basis that poverty alleviation and the promotion of balanced economic growth require the increased productivity of women in low-income households. It aims to increase the employment and income-generating options of poor women through better access to productive resources. It was soon realized, however, that though the approach might meet practiced gender needs by augmenting their income, unless employment leads to greater autonomy, it would not meet strategic gender needs. Moreover, the income-generating programmes implemented under the assumption that women have free time, often succeed only by extending their working day and increasing their burden. The purpose of the efficiency approach – the now predominant WID approach – is to ensure that development is made efficient and effective through women’s economic contribution. Women’s participation is equated with equity for women. It seeks to meet practical gender needs. Experience illustrates the fact that the efficiency approach only meets practical gender needs at the cost of longer working hours and increased unpaid work. In most cases this approach failed to reach any strategic gender needs.

It is assumed that self-help groups (SHGs) will play a larger Role in its contribution towards improving women’s health and Empowerment as well as for achieving ‘Millennium Development Goals’ in developing countries. These assumptions are largely based on the Global neo-liberal agenda which suggests that the State should withdraw from social provisioning. More researchers, organizers and employers are of the view that individual change is a pre-requisite for community and social change, which leads to empowerment¹. Thus it is a synthesis of individual and coactive change². Such synthesis is visualized through the concept of self-help group for the empowerment of women in a multi-dimensional process. It enables the women as an individual or as a


group to realize their full identity and powers in all spheres of life. The empowerment of women refers to the acquired power and once acquired, it needs to be exercised, sustained and preserved\(^3\). In precise terms it means greater access to knowledge, resources and greater autonomy in decision making to enable women to have greater ability to plan their lives. Such process enables greater control over the circumstances that influence their lives and free them from traditionally inflicted custom, belief and practice.

Women, being the majority of rural India, may not be left out in the process of development. The participation of women in the development process is a major factor in determining the destiny of the women in rural areas. Rural development has been redefined as a widely participatory process of rural transformation intended to bring about social and material advancement. The participatory development approach makes equality and freedom for majority of the people through gaining greater control over their environment. For this, SHGs supported by NGOs based on the concept of ‘People Empowering People’ (PEP)\(^4\) programme, focusing on the strength of people providing opportunities and resources for the people to gain experiences and skill is the ultimate choice for the participatory empowerment. This process is based on mutual respect between participants, facilitators and Government agencies.

In the past, to have comprehensive rural development, the Indian planners have attempted more than one approach to rural development. Originally there was an ‘institutional approach’ wherein the specialized institutions targeting rural development were established. Next, there was another approach called ‘area approach’ in which the rural development process was implemented on the basis of environment of specific area and segmenting specified areas for each specialized development institutions. These two attempts have not given desired results. At last the need based ‘target or beneficiary approach’ was made available wherein the schemes and programmes signifying the needs


of local people were implemented. All these approaches have failed due to the major factor of lack of participation on the part of beneficiaries.

The concept of Self Help Groups (SHGs) as rural economic builder takes the observed merits of all the approaches and avoids all demerits. It has bridged the gap of missing links in policy implementation and the SHG prevails as the ‘value choice’ of rural women.

A SHG is a group of self motivated rural women, not more than twenty in each group normally selected from the Below Poverty Line (BPL). The basic concept of SHG is a process of change to be set in motion and guided towards the objectives of eradicating hunger, disease, injustice, inequalities, exploitation and related ills that afflict vast sections of rural women. The success of SHGs demands active and conscious participation of all the rural women\(^5\).

1.2 SHGs and Rural Women Empowerment

The empowerment of rural poor demands that the members of village communities should have self motivated organizations which will service exclusively for their economic needs and interests. In the previous decades, due to a number of constraints like lack of education, low status, limited resources, lack of motivation and communities gap, the rural poor did not have their own organization which enable them to participate at the village level. If at all the organizations exist, they are widely influenced by the social, cultural and socio political background. As a result, the erstwhile village organizations were highly dominated by the local elites of the rural communities. Moreover, sufficient knowledge about the needs and problems of rural poor has not been supplied to the policy-making agencies. At last, the SHGs serve the purpose at the village level for the rural women. The ‘number’ and ‘unity’ among women have brought radical changes in the life style, attitude, approaches and empowerment of once docile rural women. The emerging trend manifests in the following aspects of rural

women. They are now managing the affairs on their own. They are now able to interact
with the officials. They are getting cheap money from among the group. They have
developed skills on farm related and non-farm activities. They have started sending their
children to school and taking care of the health of their children. The status of the women
in the household as well as in the community has gone up. The thinking process of
women has also changed in accordance with status and needs.

The women are now able to participate in the family and community decision-
making process. It must also be pointed out that villages are not homogenous and their
characteristics and needs do differ from area to area, which ought to be articulated
through modifications and changes in planning premises. For example, if the experience
of the last decade is taken into account in India, there are two serious flaws in the poverty
alleviation programmes. First is the assumption that a centrally directed strategy for
poverty alleviation can produce equitable development. The second flaw is the
assumption that government spending can by itself result in the economic empowerment
of poor without the participation of people involved in the programme. As such, the SHG
attempts to avoid the above-mentioned structural flaws.

The need for a special self help promotion concept for the poorer sections of the
rural society also arises from the fact that the major benefits from the development
programmes and projects, both initiation and operated by government institutions and
those run by non-government organizations, were predominantly taken away by the
reasonably wealthy sections of the rural society. Modernization of agricultural
productions or the so-called ‘green revolution’ has resulted in widening the gap of socio-
economic position of the rural poor. In addition to this, most of the credit programmes
aimed at supporting the rural poor and run by governmental institutions did not reach
their target groups, that is, the rural poor. The main idea behind the SHGs concept is that
need and priorities of the villages should be in the forefront in the formulation of project
and implementation. It is therefore essential that poverty oriented self-help promotion
programme be developed.
As an extension of self-supporting mechanism for women in rural areas, a micro enterprise is of great help. But to start a micro-enterprise the much wanted critical input is the capital. The financial institutions are still governed by their strict formalities and procedures and are not able to come forward to extend financial support to rural women for starting micro enterprises. NGOs are imperative Catalyst for SHG Development. The Non-Government Organizations (NGOs) are distinct from government agencies and also from philanthropic corporations. The NGOs are the registered bodies in India, either with the Home Ministry under Foreign Currency Regulation Act (FCRA) or under Societies Regulation Act 1860.

In the recent days, the NGOs have been playing a vital role in the sphere of socio-economic development. As development agents, they have passed through different stages taking up challenges from time to time and promoting SHGs wherever possible. With the launching of micro credit system, the NGOs also have come to the fore front of the system. The thrift and credit programme has been a part of wide and varied activities of NGOs. However, these activities are included in the broad category of credit union programmes. But with the advent of SHGs the ideology goes beyond the concept of credit facilitators and it has been now a powerful tool of poverty alleviation and development agency.

The role of NGO is more significant and pronounced in the sphere of SHGs. The rich experience of NGOs in the sphere of credit union and their grass root level involvement with the poor is a potential factor that affirms their emerging role in the sphere of SHGs. The NGOs have proven skills and capabilities in organizing the poor, especially the women and motivating and educating them, which can be used in a better way in the empowerment process of rural women. The specific tasks and role that the NGOs have been taking part in the formation of SHGs, nurturing of SHGs, facilitation

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role, mobilizing resources and formation of peoples organization\textsuperscript{7}. All such technicalities relating to the formation of the SHG can be accomplished quite easily by the NGOs with grass root level involvement and the support base of established financial institution like the National Bank for Agriculture and Rural Development (NABARD). The NABARD has designed a programme for giving training to SHGs and the implementation of these programmes only with the cooperation of NGOs.

The NGOs are good catalyst of facilitators of ‘micro finance’ and it is a novel approach to ‘banking with poor’ as they attempt to continue lower transaction costs and high degree of repayments. This high rate of achievement is essentially due to the involvement of beneficiaries and the efficient performance of NGOs. In some other cases NGOs take the loan on behalf of SHGs and delivered to SHGs. For such loans, the NGOs will always be held responsible in the matter of repayment and monitoring.

The SHGs and NGOs work together in the process of rural development and the rural women join the SHG through NGOs. The NGOs act as the facilitators and guide the rural women in forming SHGs. After becoming SHG members, with the additional skill and knowledge imparted through training, the rural women engage themselves with new occupation. The shift in occupation lifts them financially with leads to economic empowerment. After becoming economically empowered, they gain the ‘social awareness and social status on various aspects which makes the members socially empowered.

Now, the women are more aware of empowerment. Unlike in the past, the women demand and arrange better education for their children, better health care for their family members and better basic civic infrastructure within the village. This is how SHGs have empowered the women in all walks of life in Tamil Nadu. Thus the SHGs have established their position as an alternative local rural institution in Tamil Nadu and as a stepping stone.

\textsuperscript{7} Ibid. pp. 122-130.
The Self help Group Programme was implemented on a pilot basis in Tamil Nadu since early 1992. When the project was at an experimental stage, number of groups formed and loan disbursed were very low. As a result of the efforts taken by Government, NABARD both in terms of encouraging NGOs in forming groups and by improving the awareness of bank financing through a series of training programmes and workshops, the performance of the programme implementation had shown a significant growth during the subsequent years. Hence it is interesting to study the role of SHGs in Woman Empowerment in rural areas.

The empowerment of rural women shall mean equipping village women to be economically independent and personally self-reliant, with a positive self-esteem. The rural empowered women shall be able to participate in the process of decision making at home and in public activities. The empowerment of rural women ensures equal status, opportunity and freedom to develop them. This process of change leads to socio economic empowerment through increased awareness of their rights and duties as well as access to resources.

1.3 Self Help Groups (SHGs) – An Overview

(A) Origin of SHGs

Movement of women development through Self Help Groups has been introduced in different parts of our country and abroad to promote socio economic status of the women in particular and to bring out all round development in general. In 1980’s an experimental attempt was made in our neighboring country of Bangladesh by Dr. Mohammad Yunis. He wanted to encourage landless and marginalized women to undertake petty trade with little loan given from his own pocket at the initial stage. The effort turned in to a grand success, with its innovative approach to motivate the poor and disadvantaged women to inculcate banking habits through small savings and credit activities which at present has attained a global campaign as “Bangladesh Gramin Bank”. We are aware that Government of India has already been implementing micro finance programme by creating an autonomous body called ‘Rashtriya Mahila Kosh’ under the Department of Women and Child Development. The institution has been formed to promote economic status of women through Self Help Groups.
Self Help Groups are a viable organized setup to disburse micro credit to the rural women for the purpose of making them to enter into entrepreneurial activities. Credit needs of the rural women can be fulfilled totally through the SHG. The women led SHGs have successfully demonstrated how to mobilize and manage thrift, appraise credit needs, maintain linkages with the banks and enforce financial self discipline

The Self Help Groups generally have members not exceeding 20 and each group selects among its members a leader called Animator. The animator conducts two to three meeting every month. The group members save a regular amount of Rs. 20 to Rs. 100 every month. The group rotates the money to the needy members for various purposes at a specified interest rate. As the repayment is cent percent and the recycling is very fast, the saving amount increases faster owing to the accumulation of income from interest, saving habit helps the clutches of money lenders. Saving habit paves the way for the improvement of women and builds confidence in their minds that they could stand on their own feet. After the group stabilizes over a period of six months or more in the management of its own funds, it conducts regular meetings, maintain saving and give loans to members on interest. The SHGs are being linked with the banks for the external credit under the projects of rural development. The joint appraisal teams consisting of Bank Managers, Rural Development Officers, Non – Government Organizations, Projects Implementation Units visit the groups and select the beneficiaries proposed by the women groups for providing financial assistance to the respective entrepreneurial activities. Banks provide financial assistance for various entrepreneurial activities.  

(B) Concept of SHGs

SHG is a group of twelve to twenty women of the same poor economic class who came forward voluntarily to work together for their own upliftment.

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SHG is intended to promote economic development and social empowerment of the poorest women through the network of self - reliant groups. These groups would be involved in savings and credit activities at the beginning. Later on they would not only engage in protective economic and social activities but also function as the important sustainable democratic and women managed institution. These SHGs could be instrumental in assimilation and dissemination of knowledge about health, nutrition, literacy, women’s rights, child care, education adoption of new agricultural practices, form and non form sector economic activities etc., and pave the way for increased participation of women in decision making in house-holds, community and the local democratic setup, besides helping to prepare women to take up leadership position.  

Objectives of SHGs:

The members have definite objectives in forming into groups. Savings mobilization, availing credit for emergent requirements, mutual help, and economic upliftment through income-generating programmes are some of the purposes for which the members normally come together. Wherever the groups take up joint activity like group income-generating activity, community development project, etc., it becomes a major objective of group formation. The group comes to a consensus about the objectives and the methods to achieve them over a series of meetings.

Agencies connected with SHG Movement:

1. Poor People
2. NGO / SHPI (Self Help Promotion Institution)
3. Banks
4. NABARD
5. Government

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As the target group under SHG are poor, who are illiterate, Self Help Promotion Institutions (SHPIs) are crucial in formation and promotion of SHGs in the villages. However there is no rigid rule that only NGO’s or SHIP’s alone can promote SHG’s. In the normal circumstances NGO’s or SHIP’s involved in various other social activities are in an advantageous position to promote SHG’s

**Group meetings**

At ‘start up meeting’ the group reaches a common agreement on when to meet, the group, decide the place and time of meeting. It also takes a decision on penalties for non-attendance of group meetings.

**Training**

Training of the members is an important need for proper functioning of SHGs. Most effective method of training of SHG members is to take them to a good working environment and allowing free interaction with its members. The areas of training given to the members are basic mathematics, writing of books, basis of lending money, and borrowing, repaying, and social aspects like women empowerment.

**Role of animator**

The member who leads the Self Help Group is called the animator. The role of animator is to convene and conduct group meetings at regular intervals, disseminate information to members about Government welfare schemes, especially in relation to health and family welfare, education etc, facilitate group to identify appropriate income generating activities for members, co-ordinate with the bank for getting loans, create quality asset and ensure prompt repayment of bank loan. She creates awareness of present social position, objectives of the programme and motivate for building up team spirit and team work, she also trains the members in the procedures of bank activities and working for improvement of socio-economic development of the members.

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(D) Characteristics of SHGs

Savings and Thrift

All SHG members regularly save a small amount. The amount may be small, but savings has to be regular and continuous habit with all the members. ‘Savings first – Credit later’ should be the motto of every group member. SHG members take a step towards self-dependence when they start small savings. They learn financial discipline through savings and internal lending. This is useful when they use bank loans. The quantum saved by the individual and frequency of savings is decided by members of SHG.

Internal lending:

The SHG should use the savings amount for giving loans to members, the purpose, amount, rate of interest etc., to be decided by the group itself, proper accounts to be kept by the SHG. The SHGs make arrangements for opening of savings bank account with bank and enabling SHG members to obtain loans from banks and repaying the same. All lending should be with in the group. SHG should not finance individuals outside the Group.

Discussing problems:

In every meeting, the SHG should be encouraged to discuss and try to find solutions to the problems faced by the members of the group. Individually, the poor people are weak and lack resources to solve their problems. When the group tries to help its members it becomes easier for them to face the difficulties and come up with solutions.

Taking Bank Loan:

The SHG takes loan from the Bank and gives it as loan to its members; it recovers the loan from members and makes the repayment of Bank loan. The group makes the selection and financing income generating activities, internal savings may be made use for meeting emergent needs of its members.
**Managerial activities:**

Managerial activities of SHGs are: the group should meet regularly (weekly or fortnightly), ensuring discipline among members by imposing fines / penalties for late attendance / non attendance / late payment of thrift and loan installments, arranging training to the members, undertaking joint ventures and bringing cohesion among group members and compulsory attendance. Full attendance in all group meetings will make it easy for SHG to stabilize and start working to the satisfaction of all, arranging backward and forward linkages for gainful activities undertaken by members, and organizing social, educational and cultural activities in the villages to bring enlightenment among rural poor.

**Secretarial Activities:**

Secretarial Activities such as: maintenance of records like attendance register, minutes book, savings and loan register, weekly register, member’s pass book etc., ensuring transparency in group operations, ensuring participatory functioning, developing and nurturing natural leadership among members are carried in the SHGs. If the member is not able to maintain the books, the SHG may take outside help. Someone from the village with some educational qualification does this job. After some months, the group can even consider giving a small reward for this job. All registers and account books should be written during the course of the meeting. This creates confidence in the minds of members who are unable to read and write.

**(a) Minutes Book**

The proceeding of meetings, the rules of the group, names of the members etc. are recorded in this book.

**(b) Savings and Loan Register**

Savings and loan register shows the savings of members separately and of the group as a whole. Details of individual loans, repayments, interest collected balance etc. are entered in this register.
(c) Members Pass Books

Individual member’s pass books in which individual’s savings and loan balance outstanding are regularly entered. This encourages regular savings.

(d) Cash Book

Cash book should be updated as and when transactions are carried out and hand balance should tally with balance

Selection of NGOs

The NABARD will select reputed NGOs for SHG Bank Linkage Programme. Bank may also select NGOs which are capable of providing adequacy guidance to SHGs. An NGO selected should meet the following criteria.

- Should have a good track record.
- Should have proper system of book-keeping and audited balance sheet for last 3 years.
- Should have basic financial management capacity.
- Should have aim and approach of promoting and working with the groups of people belonging to poorer / weaker sections.
- Should have experience in providing training and guidance to SHGs.
- Should have knowledge of the socio-economic and demography of the area.

Role of NGO’s

The role of NGOs are group formation, work continuously with the groups to make them strong cohesive and sustainable, motivate members for regular savings and assist the members in preparation of guidelines for usage of thrift fund, monitor both savings and thrift fund usage, assist in the formation and operation of group reserve fund, arranging SHG credit for eligible groups from banks and other agencies and assisting in applying for loans and joint appraisal of SHGs, evaluate groups periodically and improve performance in all aspects, help in identification of new activities (innovative) and assist the group members in preparation of project appraisal report, assist in asset creation, helps in selection of animator by the group, they act as advisor and facilitator to the
groups on various matters- social, economic, problem solving, and community action programme, guide the animator, representatives and group in proper book keeping and record.

**Role of Institutions**

The role of financial institutions are helping SHGs in opening bank accounts, visiting SHGs for establishing good rapport and assessing capacity for absorbing credit, guiding group / members to choose right economic activities, initiating efforts and participating in steps for prompt repayment of loan by SHGs, participating in training, group meetings, workshops, review meetings etc., at various levels on a regular basis, encouraging disciplined SHGs which promptly repay loans through positive steps, bank official may attend the meetings as observer and help / guide the group in maintaining books of accounts. However, bank official should not interfere in the functioning / decision making process of a SHG. This builds confidence among group members.

**Role of NABARD**

The role of NABARD is assisting in formation of credit guidelines, assisting a SHG – friendly banking environment exists in the district and state, solving all field-level bank-related problems of SHGs through prompt intervention, providing refinance support to SHG credit outlay under district annual credit plan and disaggregating into branch-wise credit, promotional assistance to NGOs / SHGs for their capacity building, and providing training opportunities to banks, NGOs, and development agencies on SHG related aspects.

**1.4 Marketing and Its importance**

Human wants are unlimited & repetitive in nature. Business activities aim at acquiring of wealth, converting it into desired forms and making the final product available for exchange for the satisfaction of human wants. These activities fall under Industry, Trade & Commerce and have one common function namely the exchange function.
Marketing starts and ends with the consumer. The solving of various marketing problems needs insight, experience and analytical ability for which it has studied in two different angles. They are

1. Products oriented view
2. Consumer oriented view

**Product oriented view**

It is a traditional concept. This view is based on the assumption that the product whatever, it be, will be acceptable by the consumer. According to Clark & Clark.

“Marketing consists of those efforts which affects transfers in the ownership of goods and services and provide for their physical distribution”.

**Consumer oriented view**

Marketing is related to the needs of the buyer. Only such products are brought forward which can satisfy the wants and tastes of consumers. According to William J. Stanton-

- “Marketing is a total system of interacting business activities designed to plan, price, promote & distribute want satisfying products and services to present and potential customer”.

**Importance of Marketing**

Marketing is a potential force that commands high significance for the society as a whole. The main object of production, now a days is distribution of goods and services through marketing and to make as much profit as possible.

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11 R.S.N Pillai, Bagavathi, Marketing Management, Dhanpat Rai & Co P-3
The importance of marketing falls under the following heads:

A) Importance of Marketing to the Society:
   i) It provides Employment.
   ii) It decreases the Distribution Cost.
   iii) It increases the National Income.
   iv) There is a protection against Business Slump.

B) Importance of Marketing to the firm:
   i) It is helpful in Business Planning and Decision Making.
   ii) It is helpful in Increasing Profits
   iii) It is helpful in Communication between Firm and Society

C) Importance of Marketing in Underdeveloped or Developing Economy:
   Marketing has a special significance in underdeveloped economies. A rapid development of the economy is possible only by adopting the modern methods of marketing. One of the causes for recession is actually the result of recollecting the development of marketing. Marketing is the most important “multiplier” and an effective engine of development. Thus the concept of marketing in underdeveloped economies has to go a long way to catch up with the requirements of rapid industrial growth.

D) Importance of Marketing in Developed Economy:
   In rich economies or the economies of abundance the way of life itself connote a certain degree of development in marketing. In order to maintain the level of production it is absolutely necessary that the produced amount is disposed of readily in the country itself or abroad on the basis of non price completion. This is possible only by a very sound and advanced marketing system.

12 R.S.N. Pillai, Bagavathi, Marketing Management, Dhanpat rai & co P-10-11
E) Importance of Marketing in a Seller’s or Buyer’s Market:

A seller’s market is one in which the demand for goods and services exceeds the supply. In such a situation there is a tendency of growing monopolies. On the other hand buyer’s market is one in which the supply of goods exceeds the demand.

Self Help Group (SHG) plays a crucial role in rural and urban areas by manufacturing and selling the products. Marketing the products made by SHGs is an important and difficult task as the products have to be sold through the rural marketing concept to the rural people themselves. Marketing these products in the urban areas is much more difficult. The SHG will have to emphasize on the quality and affordable price to enhance the sales. Therefore SHG will have to explore the ways and means of providing products and services that meet the needs of rural consumer and evolve appropriate communication strategy and market promotion. So a study is necessary to find out the relation between Woman Empowerment through SHGs and Consumer Satisfaction towards SHGs Products.

1.5 Statement of Problem

Women are an integral part of every economy. All round development and harmonious growth of a nation would be possible only when women are considered as equal partners in progress with men. Empowerment of women is essential to harness the women labor in the main stream of economic development. Empowerment of women is a holistic concept. It is multi-dimensional in its approach and covers social, political, economic and social aspects. Of all these facets of women’s development, economic empowerment is of utmost significance in order to achieve a lasting and sustainable development of society. The Constitution of India guarantees equality, liberty and dignity to the women of India. The Fundamental Rights, The Directive principles of State Policy and Fundamental Duties etc virtually assure equal status to women and provide special protection. During the planning era several efforts were made by Government of India to increase the role of women and to improve the status of women. The Government has implemented various development programs, but no perceptible change is visible. Several reasons can be assigned to it, but the simple answer is that any scheme to transform the
position of women will have only marginal impact which is imposed on them, until and unless it is started by themselves.

SHGs in India are a mechanism for women’s development to bring in individual and collective empowerment through improvement in both ‘condition’ and ‘position’ of women. The role of SHGs in the upliftment of rural poor cannot be traced as a sudden development but it is certainly a process. The sequential changes occur first in occupational shift and then in economic and social empowerment. At each stage, the catalytic impact of SHG in their members in association with NGOs is a point to be researched.

The occupational change, the first step in the process of change is considered to be the initial momentum of empowerments. The rural women hitherto unemployed or underemployed and docile in life may go in for new occupations which need reorientation, counseling and mental change in themselves and their family members, corresponding to the institutional support system, which is external in nature like NGOs banks, facilitators and the Rural Extension Agencies are the key players in occupational change.

With the occupation, there may be economic progress but the progress varies on the basis of educational level of members and the support extended by family members for the new venture. The economic empowerment may be reflected through the generation of additional income, savings, self improvement and the potential to take up new challenges in occupation. How far the SHGs as a source of support play in the process of economic empowerment is a question to be addressed.

After economic empowerment the member will attain social awareness which is the cause for social advancement. This element of social empowerment could visualized on the select social empowerment indicators like awareness on hygienic aspects, involvement in family welfare aspects, and participation in social life and interest in public activities. How the membership in SHGs contributes to the social progress is a point to be analysed in the research.
The Woman Empowerment especially the economic empowerment through SHGs is possible only if SHGs products are preferred by the consumers and they must have satisfaction towards their products. Consumers satisfaction on the quality of SHGs products is extremely important. Quality can be seen as an attribute of a product or service which ensures that it is attractive in the eyes of the consumers. Whether the buyer is satisfied after purchase depends on the offer’s performance in relation to the buyer’s expectations. If the performance matches the expectations of the consumers are satisfied otherwise they are dissatisfied. If they are satisfied with the SHGs products in comparison to others they prefer the product it creates more demand for their products and it enhances the income, standard of living, savings, self improvement, and potential to take up new occupation. How far the SHGs products are preferred by the consumers, their attitude, satisfaction and its effect on women empowerment to be addressed? So the present study focuses on consumers satisfaction towards self group products and its impact on woman empowerment through SHGs in rural areas of Coimbatore District, Tamil Nadu. Underpinning above aspects the following objectives are framed.

1.6 Objectives of the study

The following are the specific objectives of the study.

(1) To assess the awareness about SHGs products among the consumers.

(2) To examine the factors influencing the purchase of Self Help Groups products by consumers.

(3) To identify the consumers satisfaction towards the SHGs products in both rural and urban areas.

(4) To identify the occupational shift and skill improvement among women after joining SHGs.

(5) To assess the economic empowerment and social empowerment of SHGs members.

(6) To find out the motivation received by SHGs respondents from their family and non-family members.
(7) To find interrelationship between the consumers satisfaction towards SHGs products and women empowerment.

(8) To present the findings of analysis and suggest measures to improve the consumers satisfaction and the performance of SHGs.

1.7 Scope of the Study

Women empowerment through Self Help Groups endorses that empowerment should be externally induced, so that women can exercise a level of autonomy. There should also be self-empowerment so that women can look at their own lives. Empowering women is a life cycle approach and therefore at every stage of her life policies should be initiated and framed to suit the particular needs. Empowerment of women has emerged as an important issue in our society in the recent times. When we talk about empowerment it is of paramount importance to the political thinkers, social reformers, women organizations, politicians and academicians and administrators to work upon the economic empowerment of women. It is felt that the disparity and gender bias can be minimized, if not totally eliminated with the success of SHGs in the third world countries.

The success of the system of SHGs in China and Bangladesh has opened up opportunities in India as well. The main problem which these SHGs encounter is the acceptance of their products by the consumers. Hence, the present study focuses on the consumers satisfaction towards SHGs products and their impact on women empowerment through SHGs. The SHGs can sustain their market only if they understand the needs, attitude and behavior of their customers. There is a stiff competition from other players especially in rural and urban areas. The present study, therefore, is conducted in Coimbatore District of Tamilnadu. This District is a mix of rich and poor, and is influenced by the rapid growth of urban population. Many SHGs have been set up in and around the rural areas than urban areas, so conducting the present study was found suitable.

1.8 Hypotheses

For doing statistical analysis, the following statistical (Null) hypothesis have been framed.
(1) Personal factors do not influence the purchase frequency of SHGs product consumers.

(2) Personal factors do not influence consumers satisfaction of SHGs products.

(3) Personal factors do not influence consumers opinion on availability of SHGs products.

(4) Consumers overall satisfaction on SHGs products is good.

(5) There is no change in the occupational status of SHGs members after joining SHGs.

(6) Respondents belonging to different age groups, educational qualification and community have an average same level of economic empowerment.

(7) Respondents belonging to different age groups, educational qualification and community have an average same level of social empowerment.

(8) There is an association between and economic empowerment and social empowerment.

1.9 Methodology

Research is a scientific and systematic search for pertinent information on a specific topic. The formidable problem that follows the task of defining the research problem is the preparation of the design of the research project, popularly known as the “Research Design”. Decisions regarding what, where, when, how much, by what means concerning an inquiry or a research study constitute a research design.

Research Design

Research design constitutes the blue print for the collection, measurement and analysis of data. In this study the researcher has adopted descriptive research design. Descriptive research studies are those studies which are concerned with describing the characteristics of a particular individual or a group. Descriptive research includes surveys and fact-finding enquires of different kinds. The main characteristics of this method is that the researcher has no control over the variables; he can only report what has happened or what is happening.
In a descriptive study the first step is to specify the objectives with sufficient precision to ensure that the data collected are relevant. Then comes the question of selecting the methods by which the data are to be obtained. In most of the descriptive studies the researcher takes out sample(s) and then wishes to make statements about the population on the basis of the sample analysis. Usually one or more forms of probability sampling or what is often described as random sampling are used. Under this sampling design, every item of the universe has an equal chance of inclusion in the sample.

The study is an, descriptive study based on primary as well as secondary data. Secondary sources of data include publication of Self Help Groups, Journals and Periodicals, Reports and information downloaded from the websites. Questionnaire Method evinced insufficient response from the respondents so all the data were collected by Personal interview method. For the purpose of collecting primary data a pilot study was conducted. Based on Pilot Study the interview schedule was modified, translated into Tamil (vernacular) and the primary data was collected from SHGs Members and the consumers of SHGs products by interviewing them directly by the researcher with the help of an interview schedule. Interview was conducted at the residences of the SHGs Members and for the consumers of the SHGs it was conducted at the Shops where products of SHGs are being sold. Due care was taken to ensure accuracy, consistency and completeness of the information give by them.

1.10 Sampling Design

SHGs respondents were selected as sample units by using Multi–Stage Cluster sampling method and on the whole, 336 women self help group members were selected for the study. The Coimbatore district is divided into six taluks and twelve blocks. Out of twelve blocks, ten blocks viz. Madukkari, Pollachi, Sarcarsamkulam, Sulur, Annur, Kinathukadavu, Periyanayakkanpalayam, Pollachi, Sultanpet, Thondamuthur have been selected randomly. From the selected blocks, 15 villages have been again randomly selected by using lottery method. Two groups have been selected from each village. Consumers of the SHGs products were chosen using non-probability convenient sampling. A sample of 315 respondents were selected from the both rural and urban areas.
1.11 Tools used in study

The data collected through the interview schedule were scrutinized and the Statistical Packages for Social Studies (SPSS) were used for analysis. The following tools were used in the analysis of data.

(i) Chi – square test
(ii) One way-Anova
(iii) Post-Hoc Analysis
(iv) T-test
(v) Factor Analysis
(vi) Correlation
(vii) Garrett’s Ranking Analysis,

1.12 Operations Definitions

Some of the terms used frequently in this study are defined for the purpose of clarity

Self Help Group (SHG)

SHG is a group of twelve to twenty women of the same poor economic class who came forward voluntarily to work together for saving small amount regularly and mutually contribute to a common fund.

SHG Member

It denotes the women members of the Self Help Groups in Coimbatore district mostly drawn from the people of BPL families.

SHG Leader

Each group selects a leader among them and they will hold office for a period of three years. These leaders manage the group members.
Micro Credit

It is a credit extended to rural women under the ‘banking with poor scheme’. The terms ‘micro credit’ and ‘micro finance’ are used as synonyms terms in the present study.

Rural Women

It means the women living in the rural areas of Coimbatore District in particular.

Facilitators

The facilitators are those who propagate the message, motivate the rural women, organize SHGs, train them to thrift and credit management and nurture them over a period of six months. For the present study the facilitators include the project officers of the project sponsored by the central and state governments, NGOs, formal financial agencies like Commercial banks, Regional rural banks and Cooperative banks in Coimbatore District.

Non-Governmental Organizations (NGOs)

Registered bodies that operate within Coimbatore District act as self help promoting institution and its role lies in SHGs formation, monitoring, and stabilization of rural women including financial linkage.

Mahaliar Thittam

Mahaliar Thittam is a scheme launched by the Government of Tamilnadu with its own fund to cover the entire state including Coimbatore District in a phased manner.

Empowerment

Empowerment is a process and is not something that can be given to women. The process of empowerment is both individual and collective. For the present study it refers to the upliftment of rural women as reflected and assessed in select economic and social indicators.
**Economic Empowerment**

Economic Empowerment in the present study means only the uplift or growth or development or advancement noticed among the SHG rural women.

**Social Empowerment**

It means only the awareness of members or additional knowledge or use of skill obtained through SHG membership in the select social empowerment aspects like Family and Social Responsibility, Education and Women empowerment.

**Traditional type of occupation**

The occupation engaged by the SHGs members of study area which are associated with the knowledge and skill already possessed by the members or members of the family before joining SHGs.

**Non-Traditional Types of occupation**

The change in occupation is not at all associated with the earlier skill and knowledge already possessed by the SHGs member or members of the family. It shall be because of training and the motivation given by the facilitators.

**Marketing**

Marketing is a total system of interacting business activities designed to plan, price, promote & distribute want satisfying products and services to present and potential customer.

**Consumers**

It refers to users of SHGs products

**1.13 Limitations of the Study**

All possible care and skill are exercised to derive the conclusions and bring out the findings of the study. However the following arc the limitations of the study.
1. This study is conducted in Coimbatore district so the results of this study cannot be applied for other areas which have unique characteristics of their own.

2. The multi stage cluster sampling method may be reliable but still whatever limitations it has, may have reflected in the study.

3. The convenient sampling technique has its own limitations.

4. As the study has been held during the one year right from November 2008 and March 2010, the result may hold well only in respect of the respondents for that period.

5. The primary data used in the study is based only on the information supplied by the respondents and the reliability of the data depends on the validity of the information furnished by the respondents.

1.14 Chapter Scheme

Chapter I  Introduction

The first chapter deals with introduction, statement of the problem, objectives of the study, scope of the study, methodology, sampling design, tools used in study, operational definitions limitations of the study and chapter scheme.

Chapter II  Review of Literature

The second chapter deals with “Review of Literature”.

Chapter III  Overview of SHGs Development in India

The third chapter brings out an overview of development of Self-Help Groups in India.

Chapter IV  Consumers Satisfaction towards SHGs products

The fourth chapter presents the Data analysis and interpretation of consumers satisfaction towards SHGs products.
Chapter V  Women Empowerment through SHGs
The fifth chapter focuses on Data analysis and interpretation of women empowerment through SHGs in rural areas.

Chapter VI  Findings, Suggestions and Conclusion
The sixth chapter furnishes the summary of findings, suggestions and conclusion.