CHAPTER I

INTRODUCTION AND RESEARCH DESIGN

1.5 INTRODUCTION

Empowerment is about the people, both men and women taking full control of the activities of their lives; becoming conscious of their own situation and position, setting their agendas, creating space for themselves, gaining skills, building self-confidence, solving problems, and developing self-reliance. It is not only a social and political process, but an individual one as well and it is not only a process but an outcome too.
It is not possible for outsiders to empower women; only women can empower themselves, to make choices or to speak out on their own behalf. However, institutions such as Non Governmental Organizations (NGOs) and government agencies could support the processes that increase women’s-self-confidence and develop their self-reliance and help them to set their own agendas\(^1\)

Women’s empowerment begins with their consciousness, a perception by a woman about herself and her rights, her capabilities and her potential, the awareness of her gender and the socio-cultural and political forces that affect her.

Women empowerment is not and cannot be a separated form of empowerment. Women’s struggles should be linked with the peace movements, ecology management, working class movements and human rights movement for democratization and for decentralization of the society.

An empowered woman has a positive self-image and takes an active part in decision making related to herself and her family; she is conscious about herself and possesses a full knowledge about herself; she helps in the empowerment of children, regardless of the sex of the child.

The woman has a greater access to knowledge and the resources, a greater autonomy in decision-making, a greater ability to plan one’s life, a greater control over

circumstances that influence one’s life and the ability to overcome the restrictions and constraints imposed by customs, beliefs and practices.

The woman has greater self-confidence in herself and an understanding of the important human values; she has a desire for a better tomorrow and possesses knowledge of the methods of achieving the same. It also implies that women can take up the responsibility for their own lives and make their own decisions.²

It is a state of mind in which a woman does not consider herself as an inferior but has the confidence and competence to face her life and her problems supported by economic security.

Women, being the highest in population strength, play a vital role in the development of the family, the community and nation, to such an extent. Without them, there will not be any transformation or economic development in any society. In fact, since independence, it has been felt that women have been experiencing poverty to a greater extent than men have ever been. It is apparent that equality, equity, sustainability and empowerment are being insisted to be given for human resources, nationally and internationally, especially for the empowerment of women which paves the way for notably social changes. There will be ‘spread effect of growth’, if a country gives much importance to the Women Development Program on which it can exclusively allocate funds. It is often realized that a country, a village or a family will see its progress when women grow basically. It is absolutely true as when women become the main-stream of

progress, society as well as economy becomes meaningful. At the same time, a society should not only give much importance to the status of women but also to their empowerment.

It is indispensable to say that the benefits of poverty eradication programs targeted towards the head of the household did not reach women. Since then, the Government of India (GOI) has been emphasizing the need for designing development programs exclusively for women in order to receive a greater advantage. This dream came true when the government introduced the five year plans exclusively for improving the conditions of women and integrated them in economic development process. The Government also gave a special attention to the empowerment of the women in the Ninth Plan.

Although women form nearly half of the human capital in the country, they are still the most deprived and neglected segments of society despite the constitutional guarantee for equal rights and privileges for men and women. Women continue to be in the process of economic, social, cultural and political marginalization. Women do double the amount of work and contribute doubly to the economy but they are still considered a burden. They are suppressed, oppressed and violated in many ways. Their development is further complicated by intervening factors like gender discrimination, low level of education and work participation, poor nutritional status, violence against women, poor
health and lack of access to health care. They are bearing the cross from the womb to the
tomb. Instances of infanticide and feticide bear testimony to this.  

Gender disparity, another problem faced by women has been manifested in various
forms in India. Most obvious is the declining trend in male-female sex ratio among
children in the 0-6 age group. Around 50 millions are missing in India alone.

Gender discrimination in the above lines is very clear. Their access to credit in
rural areas is also very weak and are affected by number of problems like insistence of
collateral security, cultural distance between rural women and banks, high transaction
cost, restricted and fixed banking hours, inflexibility in quantum and purpose of credit,
inconvenient repayment schedule, cumbersome procedures, denial of credit to women
due to default by male members of the family, exploitation by intermediaries and many
more. But in the new millennium, there is a growing awareness among nations that
women need to play a significant role in all aspects of development process. At the
international level, the recent resurgence of feminism has led to greater attention being
paid, within United Nations and associated agencies, to the importance of women in
development planning. Resistances against marginalization and attempts to empower
them have made a radical change in the people’s perspective on the development of
women from a welfare approach, where the focus was on the role of women as mothers

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and wives, to an empowerment and right based approach, where the rights of women have been recognized for her full development.\(^5\)

Pandit Jawaharlal Nehru said “To awaken the people, it is the women who should be awakened”. Once she is on the move, the family moves, the nation moves. Nehru further added that the building of India as a nation will also be judged by the position of Indian women.\(^6\) The World Bank report and the world conference on women also declare that women are central to the poverty alleviation efforts. Hence women’s empowerment and their full participation on the basis of equality in all spheres of society are fundamental for the achievement of equality, development and peace in every nation.

**1.6 EMPOWERMENT**

The term ‘empower’ literally refers to the power or authority given to a person to have independent control over his/her own life or the situation they live in. The Dictionary of social work defines empowerment as “the theory concerned with how people may gain collective control over their lives so as to achieve their interests as a group”. The World Bank defined Empowerment as “the process of increasing the capacity of individuals or group to make choices and to transform these choices into desired actions and outcomes”. The Global conference on women empowerment, 1988 highlighted empowerment as the surest way of making women partners in development. The Food and Agricultural Organization (FAO) has also emphasized on strengthening and motivating women at the grassroots. These can be achieved by infusing them with a

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strong, positive, self image, critical thinking, group cohesion, decision making and equal participation.\textsuperscript{7}

Empowerment is an active, multi-dimensional process which should enable women to realize their full identity and their powers in all spheres of life. It enables people to understand the reality of their environment and shape that environment if needed. Empowerment is a process that enlightens the people to go towards their destinations and improve their status. Particularly, the empowerment liberates the people both mentally and physically. In every society, there are powerful and powerless groups. Power is exercised in social, economic and political relations between individuals and groups. The excellence of power of an individual or group is, in turn, correlated to how many different kinds of resources they can access and control. It is a process of changing the existing power relations in favour of the poor and the marginalized women. It is a long term process that requires changes in knowledge, attitude and behavior of not only women, but also of men and the society at large. Therefore, the foremost aim of the empowerment of women is to provide women with economic independence.\textsuperscript{8}

When a woman attains such independence she naturally becomes the author of her own decisions. Economic empowerment is a necessary condition for enabling women to seek justice and equality. It is therefore, necessary to seek participation of women as equal partners with men in all fields of work, equal access to all positions of employment,


equal opportunities for work related training and full protection of women at work place. Women’s economic independence is highly stressed by many authors. Money spent in the hands of men is quite different from money in the hands of women. An International Labour Organization’s study finds that men tend to spend 60 percent of their income at home and 40 percent on themselves, whereas a woman spends only 10 percent on herself. Thus when a woman controls the household income, the family gets more benefits. The World Bank studies have shown that the enhancement of women’s earnings would have a much profound effect on the welfare of the family as a whole since the increase in women’s income results in direct contribution to better education, health and nutrition for children. So, many of the problems of women are due to lack of income. This shows that the economic independence does not only improve the status of women but also the condition of the society in general.

Empowerment is essentially a bottom-up process rather than something that can be formulated as a top-down strategy understanding empowerment in this way means that development agencies cannot claim to ‘Empower Women’, Women must empower themselves. The UNDP has recently adopted a gender in development goal which includes a commitment to advocating and promoting women in the political and economic decision-making at all levels.

As a result, Indian women are being recognized as a separate target group after 1980, and the government begins to direct its effort towards mainstreaming of women
into the National Development Process. Three major approaches have been adopted one after the other by the government towards the development of women, namely, the welfare approach, the anti-poverty approach and the equity/equality approach. While the welfare approach lays stress on the importance of women’s roles as wives and mothers and careers of family welfare, the anti-poverty approach is built on two strategies; need for recognizing women’s participation in development and exposing women’s significant contribution to family income. There has been much effort taken to mobilize poor women and provide them with economic support through income generating projects and co-operative functioning. The equity / equality approach focuses on women’s actual productive contribution and its aim is to ensure women’s rightful and equal position in society through direct programs that would enhance women’s activities in both the household as well as the market spheres. Thus the strategy emerged for the empowerment of women in India.

Some of the empowerment mechanisms in India could be identified as follows: literacy and higher education, better healthcare (both for herself and her children), higher age at marriage, greater participation in modernized sector, necessarily financial support for self-employment, opportunities for higher powers, a complete knowledge of her rights, self-reliance, self-respect and dignity of being a woman. The following aspects of women empowerments, such as, a hundred percent participation of women in democracy (Political Empowerment), the education of girls (Social Empowerment), the eradication of gender barriers of employment (Economic Empowerment) and land rights and legal
machinery (Legal Empowerment) are to be given much importance to improve their basic standards of lives.

Government of India has initiated a variety of programs for the welfare and empowerment of women. The Department of Human Resource Development has the prime responsibility of coordinating and monitoring different programs. A large number of committees and commissions have been appointed to examine the empowerment of women. On the recommendation of these committees and commissions, various measures are being adopted to improve the status of women and to stop the discriminatory practices. The principle of gender equality is enshrined in Indian constitution in its preamble and in its directive principles. The constitution not only grants equality to women but also empowers the state to adopt measures of positive discrimination in favour of women. The programs like Integrated Rural Development Program (IRDP), Development of women and children in Rural area (DWCRA), Training for Rural youth in Self Employment (TRYSEM), Jawahar Rozgar Yojana (JRY), Swarnajayanti Gram Swarojgar Yojana (SGSY), Mahla Samridhi Yojana (MSY) and Rashtriya Mahila Kosh (RMK) are the important initiatives which government has taken not only to alleviate poverty, but also to improve the status of women in India, possessing the largest population, has various institutional mechanisms devised for advancement of women. The last three decades of the last Millennium have seen women largely playing a central part in the development planning process in India.

1.3 NEED FOR WOMEN EMPOWERMENT
Women represent 50 percent of the world’s population, produce half the world’s food supply, account for 60 percent of the working force, contribute up to 33.3 percent of the official labour force and perform nearly 66.6 percent of all than one percent of world’s real estate. These data apparently justify that there is a need for Women Empowerment which shall be achieved only through providing opportunities and rights to basic civic amenities, education, equal wages, right to question, fight against violence and injustice, make decision and express themselves. Hence, there is an urgent necessity to improve the status of women by well-conceived, planned development programs which would have active community participation.

1.4 EMPOWERMENT OF WOMEN FOR POVERTY ERADICATION

The empowerment of women in particular, has been proposed as a strategy for redressing poverty. The incidence of both poverty and vulnerability among women over the lifecycle is also influenced by class, race, ethnicity, location and religious practices. The responsibility for facilitating empowerment process is shared by development agents, such as the state, the NGOs and the women’s groups. An empowerment approach entails that women should be treated as agents of change in order to identify and solve the problems by themselves. This shall be an effective approach to reduce or eradicate poverty.
1.5 ECONOMIC EMPOWERMENT OF WOMEN

The ninth five year plan laid a vigorous emphasis on economic empowerment of women to bring them into the main stream of development. The plan thus envisages by organizing SHG for women to begin the major process of empowering women; to equip women with necessary skills in the modern upcoming trades; and to increase access to credit through setting up of a development bank for women entrepreneurs in small and tiny sectors. The ninth plan document has further insisted upon redesigning the existing policies and program in such a way to eradicate poverty among the women and fulfill their needs.

The various schemes launched at different points of time for this purpose are India Mahila Yojana (IMY), DWCRA, Support for Training and Employment Program (STEP) and Training cum Employment Production Centers (TEPC), Mahila Samridhi Yojana (MSY) etc.

1.6 WOMEN’S ACCESS TO SAVINGS, CREDIT AND INVESTMENT

The financial empowerment of women is that their accessibility to savings and credit facilities would improve gender economic status customarily; women’s accessibility to savings and credits from banking and non-banking financial institutions is meager and astoundingly low, particularly in case of rural women. The empowerment is largely confined to a few literate and employed urban women and has remained beyond
the reach of women belonging to rural areas in general and engaged in unpaid household activities in particular.

In general, the government which involves women could be broadly classified into three sections such as, developmental program, welfare program and income generating program. The developmental programs that are Mahila Mandls, Applied Nutrition Program, and Integrated Child Development Services in turn provide welfare or income generation along with increasing awareness and improvement in the quality of life. The welfare programs that are old age pension, provisions for the handicapped, widow pension, etc., provide welfare measures to women. The income generating programs such as IRDP, TRYSEM, DWCRA etc., aim at the provision of facilities for enhancing the income levels of women with the introduction of empowerment approach and the women development policies. Various programs have been formulated both at the national and state level by the government to strengthen the full and equal participation of women in the development of the nation. Although in many of the programs assessed, welfare measures are mingled with purely economic approaches, the main focus of this section is to give access to the government programs which are aimed at directly enhancing women’s economic productivity and helping them to move out of poverty.

Many of these efforts are part of the main-stream programs directed at the poor, regardless of gender, but with either special provisions or components for women for the
sake of convenience of assessment; the programs are divided into two categories such as the Poverty Alleviation Programs and the Employment Generation Programs. Women empowerment and eradication of poverty under micro-finance schemes are possible through the formation of SHGs. The concept of self-Help groups is catching up as the most visible means to empowerment especially at the grass root level. Women have shown extra ordinary dynamism in organizing themselves in group activities for income generation, better bargaining power and improvement in quality of life.

1.7 SELF-HELP GROUPS-AN OVERVIEW

The lesson from the experiences of others developing countries like Bangladesh, Indonesia, Bolivia and Philippines motivated India too, to start experiencing the innovative scheme of self help groups which are also called as thrift and credit groups. The self help group is the brain child of Grameen Bank of Bangladesh, which was founded by Prof. Mohammed Yunus of Chittagong University in the year 1975. In India NABARD initiated it in 1986-87. But the real effort was made after 1991-92 from the linkage of SHGs with the banks.

SHG is a small, economically homogeneous and affinity groups of rural /urban, poor, voluntarily formed to save and contribute to a common fund to be lent to its members as per group decisions and for work together, for social and economic upliftment of their families and community. SHG is a medium for the development of saving habit among the women. These self help groups come in the rescue of women and it enhances the quality of status of women as participants, decision makers and
beneficiaries in the democratic, economic, social and cultural spheres of life. It brings out the possibility of women in molding the community in right perspective and explores the initiatives of women in taking up micro entrepreneurial ventures. The self help groups empower women and make them sensitized, self made and self disciplined. It tries to remove the social limitations of women such as superstition and contribute for their dormant role in decision making. So in short, this concept of Self Help Group serves to underline the principle of the people, for the people, and by the people. The basic principles of SHGs are group approach, mutual trust, organization of small and manageable group, group cohesiveness, spirit of thrift, demand based lending, collateral free, women friendly loan, peer group pressure in repayment, skill training capacity building and empowerment.\(^9\)

1.7.1 Objectives for the Formation of SHG

The main objective of the formation of Self-Help Groups is to strengthen co-operative movement by utilizing the resources available in the area. To achieve this objective, SHG selects its members from the same locality and the same income group who have combined together to live with dignity. As a holistic group, SHG has many social and economic objectives like, inculcating the habit of savings and banking among the rural women, building up trade and confidence between the rural women and the bankers, developing group activity to implement various welfare and development programs in a better way and to achieve women and child welfare developmental

programs in a better way and to achieve women and child welfare goals by actively involving these women groups in universal immunization programs, small family norms and universal elementary education etc.\(^\text{10}\)

### 1.7.2 Characteristics of SHG

Every SHG is characterized by common interest, social heritage, small size, intimate knowledge of members strengths, needs and problems, transparency in operation, conflict resolving through collective leadership and mutual discussions during meetings, common fund through regular savings supplemented by external borrowings, Loans for traditional and non-traditional production and consumption activities, decision of term of credit decided by consensus in group meetings, market oriented rate of interest, simple documentation, peer pressure and group dynamics to ensure repayments.\(^\text{11}\) The SHG members are expected to perform the roles like attending SHGs meetings promptly, voicing opinion clearly and freely, sharing responsibility of SHGs collectively like going by rotation and repaying SHGs loan promptly.

### 1.7.3 Modus Operandi of SHG

Every self help group consists of 15 to 25 members usually with two or three elected representatives like Animator, Representative-1, and Representative-2 who are rotated periodically. The groups initially frame their bye-laws and rules for smooth

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functioning. The rules include periodicity of meetings, savings, procedures for sanction of loans, books of accounts to be maintained, penalties for dealing with erring members etc. Generally the groups meet weekly/fortnightly/monthly at a fixed time. Members pay monthly subscription which is normally being used for administrative expenses. Minimum savings to be contributed by each member is fixed which may vary between Rs.5 to Rs.100 per month. The saving amount thus accumulated, is rotated among the members to meet their credit requirements. Groups lend for consumption and production activities but normally emergent needs are given priority. Interest rates on loans are initially high at 4 – 5% per month. But the rates are brought down when the fund position of the groups improves. Initially the repayment period for loans is 2 to 3 months and it extends up to 10to12 months when the group matures. The size of loans also increases as the groups again strength and experience.¹²

SHG leaders perform the duties like convening meetings, resolving conflicts, operating bank accounts and cash dealings, maintaining of books like attendance register, minutes book, savings ledger, loan ledger, general ledger, cash book, individual pass book and subscription register. All the decisions are taken in open meetings in a participatory way. Cash dealing (collection of savings and credit disbursement) is carried out during the meetings. The group leaders are trained either by the government representative or by the NGOs.

1.7.4 Models of Financing of SHG

**Model I: Bank-SHG-Member**

In this model, bank branch finances directly to SHG by opening the loan account in the name of SHG. Bank credit is disbursed in the ratio of savings in the common fund and the bank credit is from 1:1 to 1:4. The NGO does not play any role in the financing of SHG.

**Model II: Bank-(Facilitator Agency)-SHG-Members**

The bank branch finances SHG, which is formed at the instance of NGO. Bank credit is disbursed to SHG in the ratio of savings to the common fund of the SHG. The maximum permissible ratio between savings in the common fund and bank credit is 1:4 for concerned NGO, which acts as facilitator but the responsibility of repayment safety lies with SHG.

**Model III: BANK-NGO-MFI-SHG-Members**

In this model the NGOs act as both facilitators and micro-finance intermediaries (MFIs). In this case the local bank branch does not have adequate confidence in lending to SHG prompted by agency (NGO) or in case SHG for various reasons is not willing to be linked directly with the bank. The bank may finance such SHG through the agency that promotes the group provided the agency is willing to borrow from the bank and the bank is also prepared to bulk lend the agency. The SHG receives financial assistance
from the NGO and meet the credit needs of the members. The NGO acts as a financial intermediary and is responsible for loan repayment.\textsuperscript{13}

1.7.5 Benefits of Linkage to SHG

The SHG gets the benefits of better technical, economical and administrative knowledge available at banks and has access to greater resources. The bank credit is available on better terms as compared to the credit available from informal sources, particularly from money lenders. SHG gets advice from the banks about income increasing activities. It also gets loan with least paper works and no security is needed.

1.7.6 Benefits of Linkage to the Banks

The banks achieve better and wider coverage of weaker section persons in rural areas in a cost effective manner. Due to externalization of items of credit cycle, there is reduction in transaction costs and consequent increase in profits. Banks get substantial deposits in the form of small savings of SHG members. On account of nearly 100% recovery of loans given to SHG due to peer and pressure, there is improvement in recovery percentage. Further, the banks can mobilize deposits from so far untapped sections of the rural population. SHG financing is one of the most advantageous

proposals for the bank. Banks achieve targets of development works easily through financing of SHG.  

### 1.7.7 Promotion of SHGs

SHGs are organic in terms of their development and pass through various phases before getting stabilized. To begin with, SHGs have to stabilize the regularity of meetings, participation of members, maintaining of books, regular transactions of savings and lending among members with little or no outside support. The process of stabilization is influenced by various factors which include the span of SHG, awareness of members, leadership and interaction among members, training programs and common activities undertaken by the group.

In general, the formation period of the group may be 1 to 2 months in which the initial identification of the group is done. During the formation period of 3 to 6 months often self-selected 15 to 20 women form a SHG, evolving the rules and norms for conducting the meetings to take place. They begin to save and maintain accounts. SHG members training and animators training programs are arranged. Literacy and numeracy classes are conducted for the members.

In the stabilization period of 7 to 12 months, SHGs regularize and increase savings. They start giving and repaying of loans. They begin to interact with other groups like government and private institutions. Groups are linked to the banks and they begin to

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avail bank loans. SHGs join the cluster and block level federations in the panchayats. They begin to involve in common issues too. It includes improving of their living conditions, basic amenities etc.

During growth period of 19 to 25 months, the linkage with the banks is intensified and their cluster level activities are improved. The expansion and diversification period (25 months and above) focuses on creating assets for individual members or for the group. Each SHG has to become an individual institution with the linkages of various institutions.  

1.7.8 SHGS in India

India is the seventh largest country in the world in terms of its area. Its total area is 32,87,263 square kilometers, which constituted about 2.4 per cent of the total land area in the world. In 2001, the population of India was counted to be about 1027 millions (1,027,015,247 persons) of which 528 million (528,277,078 persons) were males and 498 million (498,739,169 persons) were females. The density of population was 267 per square kilometer, which was highly judged by any standard. This was because of the fact that the size of the population was quite staggering compared to its area. The female population in relation to the total population had recorded a slight increase from 48.09 per cent in 1991 to 48.2 percent in 2001. The sex ratio of the number of females per thousand males had registered a marginal increase (933) over that of the last decade (927) mainly due to the decline in the maternal mortality, 25.7 percent of the population lived

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15 Dhan Foundation, Banking with SHGs, Madurai Resource and Research Centre, 1998.
in the urban areas and 74.3 percent lived in the rural areas proving the fact that India is a rural country.

Since the 1970’s, numerous NGOs in India had begun experiments in micro financing to address the poverty issues and create self-employment opportunities for women. Official interest in the informal group took shape during the year 1986-87 when the NABARD supported and funded an action oriented research project on savings and credit management of the self Help Groups of an NGO in Karnataka.

In 1988-89, the NABARD undertook a survey of 43 NGOs spread over 11 States in India to study the functioning of the SHGs and for examining the possibilities of collaboration between the banks and the SHGs in the mobilization of rural savings and in improving the delivery of credit to the poor people. In July 1991, RBI circular gave a flexible mandate to the commercial banks and the co-operatives to make the SHG operations a part of the normal banking business in the country.

The RBI constituted a working group in 1994 to review the functioning of the NGOs and the SHGs. Accepting its recommendations, the RBI advised the banks that lending to the SHG should be considered as an additional segment under the priority sector advances. To speed up the growth of the SHGs through efficient facilitation and to enable the proper monitoring of the groups, NGOs were encouraged to play an intermediary role (Karmakar, 1999 and Dasgupta 2001).

1.8 THE GROWTH OF SELF HELP GROUPS IN INDIA
The NABARD in India had taken much interest to translate the benefits derived from the Bangladesh model to develop the self-Help Groups through bank financing with the active co-operation of the Non-Government Organizations.

NABARD had announced certain incentives for the banking institutions financing the self help groups and engaged in promoting the financing of the SHG’s. According to NABARD, there were 4757 SHGs all over in 16 States and one Union Territory linked with bank financing. Ninety-five bank branches had disbursed Rs 650 to 680 lakhs. It should be noted that 66 per cent of the Self Help Groups which were financed by the banks were in the southern States of which 73 per cent were women’s Self Help Groups.

State-wise data on SHG bank financing had shown that majority of the self-help Groups were women’s groups. Karnataka, Andhra Pradesh and Tamil Nadu states were ranked as the first, second and the third states respectively. It should be noted that more number of women’s groups were formed and financed due to their sincere attitude, hard work and the like and also for the deserving lot of women to develop and to empower them in all the various fronts.

In India, SHGs were formed during the year 1991-92. Tamil Nadu and Andhra Pradesh were the pioneer states in the country in establishing self help groups. Andhra Pradesh, Tamil Nadu and Karnataka were identified as the first, second and the third ranking states in terms of the average assistance provided to each of the self-help groups. Tamil Nadu on an average was the only state that had a systematic policy to cover every habitation and every family that was poor.
Though the self-help groups were started during the year 1991-92 in India, the SHG bank linkage program had secured a wider acceptability during the year 1997-98 with the participation of 30 commercial banks, 101 Regional Rural Banks and 17 Co-operative banks covering 19 States and two Union Territories. In the beginning of 1998-99, 365 SHGs were provided with Rs. 0.65 crore by way of loans with refinance facilities to the extent of Rs. 0.46 crore.

In 2002-03 the number of SHGs had increased to 14,317 with loans and advances to the extent of Rs. 23.64 crore and refinance facilities to the tune of Rs. 21.42 crore; assistance from the co-operative banks was found more in the eastern regions (77.02 per cent) followed by the Southern regions (16.63 per cent).

During the year 2003-04, the participation was extended to 48 commercial banks, 192 Regional Rural Banks and 264 Co-operative banks, covering 523 districts across the nation. Around 2800 NGOs and other agencies were involved in the linkage program, promoting and nurturing SHGs and acting either as facilitators or as intermediaries. With the effective linkage of the SHGs with banks, the members of the SHGs promoted were 7, 17,360 at the end of March 2003. Though the demand for the small amounts of loans (micro loans) was estimated at Rs. 45000 crores, the SHGs had availed of banks loans to the extent of Rs. 2048.7 crores during the period.

According to the annual report of the Ministry of Rural Development, up to 31st March 2010, 69, 53,250 SHGs had been formed in India and amount of savings through
SHGs was Rs. 6, 19,870.89 lakh. The researcher can conclude that the development of the SHGs in India has been one of progressive developments.

1.9 WOMEN AND POVERTY ALLEVIATION IN THE FIVE YEAR PLANS

1.9.1 The First Five Year Plan (1951-56)

The First Five Year Plan (1951-56) stated that the central objectives of the plan were to initiate a process of development which would raise the living standards and open out to people new opportunities for a richer and more varied life.

This plan gave due attention to social services like health education, sanitation, housing and rehabilitation to build up human capital. The plan recognized the problems of high infant and national mortality and undertook to develop school feeding schemes, maternity centre and child health centre. The Central Social Welfare board was established by Government in 1955 with a nation-wide program of grants-in-aid for promoting development of women and children. The Board had its counterparts in its states and they provided assistance to voluntary agencies for improving and developing welfare programs. This led to the growth of a number of women’s organization and provided status and activity to many of the erstwhile active women social workers.

1.9.2 The Second Five Year Plan (1956 -61)

This plan aimed to achieve rapid industrialization. It also persisted in welfare approach. It recognized the need for organization of women as workers, that women

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should be protected against injurious work, should receive maternity benefits and crèches should be established for children in work places. It also recommended the speedy implementation of the principle, ‘equal pay for equal work’ and provision of training to enable women to compete for higher jobs.

In 1961, at the end of this plan period, it was reported that in the recognized sector, due to necessity of providing welfare measures many of the employees were reluctant to employ women and the participation rate of the female working force in comparison with the males declined. The participation rate of the female working force stood at 27.96 as against 57.12 for males. Further, as women were not encouraged to take technical training or on-the-job training modernization of some industries like textiles, it led to the displacement of women.

In the areas of health and education there was some progress. The literacy percentage of females increased to 12.95 but is still low, as compared to males, which was 34.44 percent. Expectation of life at birth in 1961 was 40.6 for females as against 41.91 females per 1000 persons. There was a spurt in the enrolment of girls in the educational system, the number of girls in school system being 42 per 100 boys and 16.2 girls per 100 boys at the university stage.

1.9.3 The Third Five Year Plan (1961-66)
The plan focused on expansion of girls’ education as a strategy for women’s development. Efforts on providing condensed course for adult women in health, nutrition and family planning were made.

Intensive Agriculture District Program, Integrated Area Development Program, High Yielding varieties program were launched during this period to spread employment in the country.

1.9.4 The Fourth Five Year Plan (1969-74)

This plan continued the emphasis on women’s education. The outlay on family planning stepped up, high priority was given to immunization of preschool children and supplementary diet for children, expectant and nursing mothers.

According to the census of 1971, the literacy percentage of female has increased from 12.95 (1961) to 18.69 percent. The literacy percentage of males increased to 39.56. Expectation of life at birth for females was 44.7 as compared to 46.4 for males. Sex ratio continued to decline. In the school system, there were 54 girls for every 100 boys and in the university system, 21.9 girls per 100 boys were enrolled. Thus the rate of progress of education of girls was very slow and there was wide gap between the education of boys and girls at all stages. Participation rate of female working force declined from 27.96 to 11.87 as against 52.51 for males and it shows the continuous displacement of women. But the division of labour between men and women in the family was pronounced; women had to carry on the burden of two full time jobs. Drought prone Area Program
was launched in 1970-71 to achieve rural development through people participation and initiatives.

1.9.5 The Fifth Five Year Plan (1974-79)

The Fifth Plan’s major objective was removal of poverty and attainment of self-reliance. Functional literacy programs to train women in the age group of 14-45 in the functions of a house-wife including child care, nutrition, health care and home economy were stressed.

National plan of Action in 1976 has identified areas of health, family planning, nutrition, education, employment, legislation and social welfare for formulating and implementing action programs for women and called for planned intervention to improve the conditions of women in India.

Women’s welfare and Development bureau was set up under the Ministry of Social Welfare in 1976 to act as a nodal point to initiate measures for women’s development.

For the first time there was a shift from welfare to developmental approaches for women. This plan recognized women’s lack of access to resources as an important factor impending their development. As the basic unit of development programming was still the family and not the women, women benefited very little.

The aims of Fifth Five Year Plan were removal of poverty, attainment of self-reliance and employment generation. Special programs launched during this period are
Small Farmers Development Agency (SFDA), Marginal Farmers and Agricultural Labourers (MFAL) Programs, Tribal Area Development Program (TADP) and Drought Prone Area Program (DPAP).

1.9.6 The Sixth Five Year Plan; (1980-85)

A variety of programs were taken up under different sectors of development to accelerate the working condition of women and to raise their economic and social status. Vocational training centers and industrial training institutes exclusively meant for women were set up. The Integrated Rural Development Program accorded priority to women heads of households. One third of the beneficiaries under TRYSEM were women, and a new scheme called, “Development of Women and Children in Rural Areas” (DWACRA) was started in 1982-83. Training in a chosen economic activity such as weaving, fish vending, rope making, brick making, candle making, baking etc., along with the necessary information was provided.

Non-formal education centers were set up exclusively for girls. To boost enrolment in primary classes, early childhood education centers were set up as adjuncts to primary schools. Higher rates of scholarship were given to the girls belonging to scheduled tribes and scheduled classes. Separate university for women was established in Tamil Nadu and Andhra Pradesh. The Ministry of social welfare implemented a program called ‘Functional Literacy of Adult Women’. Under the scheme ‘Science and Technology’, for women a wide spectrum of activities such as smokeless chullahs, solar cookers, biogas plants, water purifier system etc., were taken up. To reduce drudgery of
women’s day-to-day activities, improved agricultural implements, better methods of sheep rearing, wool spinning, harvest activities, food processing, fish processing, pearl culture etc., were taken up.

Nutritional intervention to pregnant and nursing mothers belonging to weaker sections was given high priority under ICDS programs. Hostels for working women, training cum production centers for women, assistance to women in distress etc., were some of the schemes for which financial assistance was given to voluntary organizations.

**1.9.7 The Seventh Five Year Plan (1985-90)**

Basic approach was to inculcate confidence among women to bring about an awareness of their own potential for development as also of their rights and privileges. The plan emphasized the need to open new avenues of work for women and proclaim them as crucial resources for the development of the country. Besides access of women to land, support through credit marketing, training in skills and management were included. The plan used to organize women workers so that they could demand their rights for services. The plan also acknowledged the long hours spent by women within the households as well as in farms or family business.

The Government of India constituted a separate department in the ministry of Human Resource Development, for the development of women and children. The department planned and executed programs for women besides monitoring the programs meant for women in other ministries and departments.
The thrust of the various programs was on providing employment and income generation services, education and training services, support services, general awareness services and also legal support services. Women’s development Corporation has been set up by a few state Governments for training and employment of women from weaker section of the society. The Department of Women and Child Development has floated many programs like providing short-stay homes for women and girls morally in danger, counseling, medical care, psychiatric guidance, preventive rehabilitative services to women and children who are victims of activities and exploitations. The total outlay on the women specific schemes in VII plan is 2.4 per unit.

The Plan recognizes the importance of women’s potential as a human resource and the most critical input for development as training. The plan also recommends that a commissioner for women’s right should be appointed for the enforcement of law to ensure women’s rights. The unpaid work of women in the household and outside and its value was to be taken into account and a conceptual clarity on work and non-work and their economic value should be examined.

The plan reiterates strengthening of minimum needs program, women’s access to productive resources such as land and credit inputs, review of property laws to ensure women’s access to property rights, women oriented wasteland development programs of social forestry, skill training for women in agriculture, animal husbandry and other related employment, unionizing of women, expansion of insurance cover, maternity and other benefits, special training program for rural women entrepreneurship appropriate
technology for drudgery reduction, enhancing productivity, supportive services for women in distress, legal centers, counseling centers, crèche/day care facilities, special cell to enforce legislation on job security, working condition, minimum wages, equal pay for equal work etc. which should be extended to unorganized sectors, use of media to create awareness for women’s education and their active role in economic, political development of the nation, adult education programs, banning amniocentesis for sex determination, sex and family planning education in schools, colleges and universities encouraging folk media for reaching women in rural areas, uniform civil code for all citizens etc.

Some of the achievements in improving the status of women are that the expectation of life at birth has improved from 44.7 in 1971 to 52.9 years in 1981 and 55.9 years in 1991. The sex ratio has registered a slight raise from 930 to 933 per 1000 males in 1981 but has come down to 927 female for every 1000 males in 1991. The average age at marriage for girls has gone up to 18.3 years as against 17.3 years in 1971. The focus in the programs for women has shifted from welfare to development. There is more involvement of women in the planning and implementation process at all levels.

The Government has offered welfare schemes for women and floated various antipoverty programs. It is heartening to note that during the last two decades, Women’s Voluntary Organization have been quite active taking up issues like violence against women, rape, dowry death, sati glorification, media distortion of the women’s image, problem of working women, dual burden of women, gender discrimination etc. In
general a widespread awareness is being created among men and women at all levels and it is hoped that during the 21st century, women would march towards progress in the real sense.

In 1989, the existing rural wage employment programs were merged and renamed as Jawahar Rozgar Yojana (JRY). It aimed at generating full employment, helping the people who are below poverty line. The District Rural Development Agency was formed to plan and implement various Rural Development Programs at the district level.\(^{17}\)

### 1.9.8 The Eighth Five Year Plan (1992-1997)

Human development in all its facts is the ultimate goal of the eighth plan. Being a performance oriented plan, it gave special attention to employment in rural areas. There was a shift in emphasis from the creation of relief type of employment to the building up of durable productive assets like, all-weather roads, minor irrigation works, land leveling and prevention of soil erosion, construction of schools and primary health centers, vocational training and production centers. A high degree of convergent efforts was made by integrating poverty alleviation programs, developmental programs and structural schemes. JRY was modified in 1993-94 with additional locations. Special and innovative projects were undertaken by Indira Awas Yojana (IAY) to provide houses, by Million Wells Schemes (MWS) to provide open irrigation wells, both free of cost to the members of SC/ST and free bonded labourers.

Cent per cent coverage of economically weaker sections under the IRDP Program was a major step under the Eighth plan. Employment Assurance Scheme (EAS) to provide rural employment at least for 100 days to women during the lean agriculture season for at least two members of the beneficiary families was introduced from October 2, 1993.

1.9.9 The Ninth Five Year Plan (1997-2002)

This plan launched in the 50th year of independence of the country, claims that the principal task of the ninth plan will be to usher into a new era of people-oriented planning, in which not only states but the people at large, particularly the poor can fully participate. In this plan, special attention was given to the implementation of JRY at the Gram Panchayat level. Further JRY and EAS programs are integrated and renamed as Jawahar Gram Samidhis Yojana (JGSY). The IRDP, DWACRA, TRYSEM, SITRA (Supply of Improved Toolkits to Rural Artisans) and GKY (Ganga KalyamYojana) have been pooled and renamed as ‘Swarna Jayanthi Gram Swarozgar Yojana’ (SJGSY).

1.9.10 The Tenth Five Year Plan (2002-2007)

Over the poverty alleviation programs of various types have expanded in size and today there is a wide variety of such programs which absorb a large volume of resources. The plan provision for rural development is Rs. 7000 crores.

To provide credit facilities on easy terms and to give greater access to the poor, particularly the rural women, the Government of India has launched and implemented
several programs such as, the IRDP, National Rural Employment Program (NREP), Rural Landlers Employment Guarantee Program (RLEG) and the like, during the last five decades with the emphasis of employment generation and to reduce the poverty in rural areas.

These programs have helped to reach a large number of rural poor. Due to some of these initiatives, poverty levels in the country have come down from 56 per cent in 1973-74 to about 27 percent in 1999-2000. While this achievement is by no means insignificant, the obsolete numbers of rural poor continue to remain static at about 250 million persons.\(^{18}\)

The Government of India launched the program called Swarna Jayanthi Gram Swarzgar Yojana in April 1, 1999. The objective of the program is to assist the rural poor, particularly women and youth with aptitude for self-employment by organizing them in SHG and building their entrepreneurial capacity, providing them technology, credit and marketing support, developing activity clusters and infrastructures.

The beneficiaries under this program are called Swarojgaris. At least 50 percent of the Swarojgaries have to be drawn from among the scheduled caste and scheduled tribal communities.

Initially, it was assumed that government programs could be able to enhance income level of the rural masses but unfortunately these programs failed to reach the

neediest beneficiaries, particularly the rural women. In this situation, rural poor are forced to depend on village money lenders for their financial needs, either marriage in the family or illness, or any other emergency needs. The formal credit system of banks too and large is beyond the reach of the poor due to bureaucratic bottleneck and government policy obligations. Particularly women’s access to credit in rural areas is beset with a number of problems which hinder the development of women. So under the context of poverty alleviation, credit comes as the bridge, which enables the poor to overcome the poverty syndrome. So for uplifting the conditions of women, self-realization and self-initiative are realized as the most powerful weapons. This is now being translated into one world-group that is “Self Help Group”. Delivery of credit through SHGs has been found to be one of the most appropriate mechanisms to trigger development impulses of the poor. This has prompted a number of non-governmental organizations and governments to create a way for organizing the poor in to informal groups for mutual help and thirst.19

1.9.11 The Eleventh Five Year Plan (2007 – 2012)

During the Eleventh Plan, special attention will be paid to various aspects of women’s health, including maternal morbidity and mortality and child sex ratio.

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Besides encouraging institutional deliveries under NRHM (National Rural Health Mission), Traditional Birth Attendants (TBAs) will be trained to upgrade them as skilled birth attendants. Reducing travel time to two hours for emergency obstetric care will be a key for social intervention.

Inclusive growth in the Eleventh Plan envisages respecting the differential needs of all women and children and providing them with equal access to opportunities. This can only happen when women are recognized as agents of socio-economic growth with autonomy of decision-making and the rights of children are respected.

The Eleventh Plan purposes a five-fold agenda for gender equity. This includes economic empowerment, Social empowerment, and Political empowerment, strengthening mechanism for effective implementation of women-related legislations and augmenting delivery mechanisms for mainstreaming gender.

Departing from previous plans, the Eleventh Plan view violence as a public health issue and calls for training of medical personnel at all levels of the health care system to recognize and report violence against women and children. The Eleventh Plan also introduces the Integrated Child Protection (ICP) scheme and scheme for Relief and Rehabilitation of victims of sexual harassment, at workplace bill and the compulsory registration of marriage bill are expected to become law during the plan period.
Along with lower participation rates, Women face a higher incidence of unemployment than men. This is especially so for higher levels of education. While the unemployment rates between men and women do not differ much up to the primary level of schooling, unemployment among the women educated up to the secondary and higher levels is much higher than among men. In the urban areas, unemployment among young women in the 15to29years age group is much higher than for men, and is the highest among urban women in the 20to24years age group where one among every four girls seeking work cannot fix it. They are in an especially vulnerable position when they seek entry into the regular wage jobs in the unorganized or even in the private organized sector, in urban areas. This has many implications for a labour policy, particularly the gender requisite regulation, the social policies and programs of that are designed to promote ‘equity’ at work.

1.10 STATEMENT OF THE PROBLEM

The role of woman as a traditional housewife is getting completely changed. Modern education, industrialization and protective legislation have all created greater opportunities for women aspirants. It is important to note that women take up jobs not only augmenting their social status, but also for economic necessity. In most of the families, particularly among the lower class families, both men and women are forced to contribute equally for maintaining and running the family.
In modern days women are playing a vital role in the process of economic development of a country. Women empowerment in India aims at enhancing their social functioning by bringing about a qualitative and quantitative change among women, particularly in the fields of education, health and employment. The redistribution of social power and a change in the control of resources in favour of women in any society is practically not possible without women’s education, employment and good health. Women’s participation in the economic activity is important for their own personal advancement and also for an improvement of their status in the society.

The popular programme which had reached the rural women was the self-help groups through the efforts of the NGOs. The main aim of the present research study is to find out the degree of empowerment of women by the efforts of the SHGs in their lives and to evolve a better and appropriate approach in empowering women. Thus the present study aims at portraying the strength of the self-help groups, and their capabilities in empowering rural women.

The present analysis is undertaken to find out the empowerment achieved among the socially deprived classes to improve health and nutritional status, educational achievements, access to resources and to increase the real per capita income. The emphasis is to make policy efforts aimed at making these developmental achievements sustainable lasting well into the future. Their empowerment needs are to be looked at
from different perspectives such as individual, group community, collaborating organizations and the state too.

The study would envisage the possibilities of the realistic approach of self-help groups, the expected promotion of sustainability and empowerment of socially disadvantaged rural women. Moreover, many earlier studies had not been conducted to examine the precise role of the NGOs in bringing about changes among the rural women in the Pudukottai district, Tamil Nadu. Therefore, it is essential to assess the positive impact of the SHGs on the rural women. Hence the study on Women Empowerment through Self-Help Groups in Pudukottai Distirct, Tamil Nadu has been undertaken.

1.11 SCOPE OF THE STUDY

The Study is mainly confined to an analysis of the impact of the Self Help Groups on rural women in the study area of Pudukottai District, Tamil Nadu. The impact is measured in terms of the changes brought about in the levels of income, employment, expenditure, savings and borrowings after becoming members in the SHGs. The empowerment of women through SHGs had been measured in terms of social, economic, Political, educational and decision-making improvements and attainments. Further the socio economic conditions of the SHG members had also been studied. The study area is confined to the Pudukottai District of Tamil Nadu State.

1.12 OBJECTIVES OF THE STUDY
The overall objective of the present study is to examine the empowerment of women through SHG in Pudukottai District. The following are the specific objectives of the study:

1. To study the growth and development of self-help Groups in the study area.
2. To Probe into the Socio-economic status of the SHG members in Pudukottai District.
3. To find out the factors influencing the empowerment of women through SHGs.
4. To analyze the level of empowerment of women and the performance through SHGs in the study area.
5. To offer Suitable suggestions on the basis of findings of the study.

1.13 HYPOTHESES

The study proposes the following Null Hypothesis (H₀)

1. There is no significant relationship between age and level of empowerment.
2. The religion does not influence the level of empowerment.
3. The level of empowerment is independent of the marital status.
4. There is no relationship between the type of family and the level of empowerment.
5. The size of the family does not influence the level of empowerment.
6. There exists no relationship between educational qualification and level of empowerment of women.
7. There exists no relationship between monthly income and level of empowerment.
8. There exists no relationship between family income and level of empowerment.

1.14 METHODOLOGY

Designing a suitable methodology and selection of analytical tools are important for a meaningful analysis of any research problem. In this section, an attempt is made to prepare a methodology of the present study. It includes period of study, collection of data, sample design, tools of analysis and analytical Frame work of Factor Analysis.

1.14.1 Period of Study

The field survey was conducted from September 2009 to March 2010 for the collection of primary data. The reference period of the survey was 2009-10.

1.14.2 Collection of Data

Both primary and secondary data have been used for the present study. A reconnaissance survey was made of the selected respondents to get acquainted with the loan amount received, utilized, repayment and the like. On the basis of the information gathered, a well designed pre-tested interview schedule was drafted and used in the field survey to collect primary data. Before undertaking the main survey, a tentative interview schedule was prepared and administered to 25 members in order to test the validity of the
interview schedule. It facilitated the removal of the ‘no-response’ and unwarranted questions and then the modified final schedule were prepared on this basis.

The selected women members were contacted in person and the objectives of the study were clearly explained to them and their co-operation was ensured. The details regarding the general characteristics of the sample members, their families, income, savings and the like relating to the overall objectives of the study were collected from the sample members through the direct personal interview method.

1.14.3 Sampling Design

Pudukottai district comprises eight taluks and 11 blocks. For the purpose of collecting primary data, block-wise lists of SHG members were obtained from the Project Officer, District Rural Development Agency, Program Officer, Tamil Nadu Corporation for Development of Women Ltd., (TNCDW) and NGOs functioning in Pudukottai District. More than 80 per cent of the members were concentrated in blocks, namely, Annavasal, Aranthangi, Gandarvakottai, Ponnamaravathi, Pudukottai and Thirumayam. 600 sample women members under SHG scheme from these six blocks were randomly selected by using proportionate probability sampling technique. The selected blocks and sample women members in each block are given in Table 1.1.
### TABLE 1.1

**NAME OF THE SELECTED BLOCKS AND SAMPLE WOMEN SHG MEMBERS AS ON MARCH 2010**

<table>
<thead>
<tr>
<th>Sl.No.</th>
<th>Name of the Selected Block</th>
<th>Total No.of Members</th>
<th>Sample Women Members</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Annavasal</td>
<td>16548</td>
<td>105</td>
</tr>
<tr>
<td>2.</td>
<td>Aranthangi</td>
<td>15841</td>
<td>101</td>
</tr>
<tr>
<td>3.</td>
<td>Gandarvakottai</td>
<td>14636</td>
<td>93</td>
</tr>
<tr>
<td>4.</td>
<td>Ponnamaravathi</td>
<td>10421</td>
<td>66</td>
</tr>
<tr>
<td>5.</td>
<td>Pudukottai</td>
<td>19211</td>
<td>122</td>
</tr>
<tr>
<td>6.</td>
<td>Thirumayam</td>
<td>17879</td>
<td>113</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>94536</strong></td>
<td><strong>600</strong></td>
</tr>
</tbody>
</table>

*Source: District Statistical Hand Book, Pudukottai District, 2010-11.*

#### 1.14.4. Tools of Analysis

To find out factors which influence the empowerment of women through SHGs in Pudukottai district and the performance of the self-help groups and their effective functioning, the factor analysis was used.
1.14.5 Analytical Framework of Factor Analysis

Mathematically, factor analysis is somewhat similar to the multiple regression analysis. Each variable is expressed as a linear combination of the underlying factors. The amount of variance and variable shares with all the other variables included in the analysis is referred to as communality. The co-variation among the variable is described in terms of a small number of common factors together with a unique for each variable. These factors were not over observed. If the variables were standardized, the factor model might be represented as:

\[ X_i = \sum_{j=1}^{m} A_{ij} F_j + V_i U_i \]

Where,

- \( X_i = \) \( i^{th} \) Standardized variable,
- \( A_{ij} = \) Standardized multiple regression coefficient of variable ‘i’ on common factor ‘j’
- \( F = \) Common factor,
- \( V_i = \) Standardized regression coefficient of variable ‘i’ on unique Factor ‘i’.
- \( U_i = \) the unique factor for variable ‘i’
- \( M = \) Number of common factors
The unique factors are uncorrelated with each other and with the common factors. The common factors themselves could be expressed as linear combinations of the observed variables.

\[ F_i = W_{i1} X_1 + W_{i2} X_2 + W_{i3} X_3 + \ldots + W_{ik} X_k \]

Where,

- \( F_i = \) Estimate of \( i^{th} \) factor
- \( W_i = \) Weight or factor score coefficient.
- \( K = \) Number of variables.

It is possible to select weights or factor score coefficients so that the first factor explains the largest portion of the total variance. Then a second set of weights could be selected, so that the second factor accounts for most of the residual variance, subject to being uncorrelated with the first factor. The same principle could be applied to selecting additional weights for the additional factors. Thus, the factors could be estimated so that their factor scores, unlike the value of the original variables, are not correlated. Further, the first factor accounts for the highest variance in the data, the second factor for the second highest variance in the data and so on.  

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**Chi–Square**

In order to examine the relationship between the socio-economic factors and the level of empowerment through SHGs, the Chi-square test was employed. It was calculated by adopting the formula (Kothari, 1978)

\[
\text{Chi-square} = \sum \frac{(O - E)^2}{E}
\]

Where,

\(O\) = Observed Frequency

\(E\) = Expected Frequency

\(E = \frac{\text{Row Total} \times \text{Column Total}}{\text{Grand Total}}\)

With \((r - 1) (c - 1)\) degrees of freedom.

\(r\) = Number of rows

\(c\) = Number of columns

In order to compare the income, expenditure, savings, assets and indebtedness of sample respondents between before and after joining in SHGs, t-test was applied.

In order to assess the contribution of the respondents to family income, the multiple regression analysis was applied by using the following formula:
Log \( Y = \beta_0 + \beta_1 \log X_1 + \beta_2 \log X_2 + U \)

Where,

\( Y \) = Total family income in Rupees

\( X_1 \) = Income of the respondents in rupees

\( X_2 \) = Income of the Spouses/Family Members in Rupees

\( U \) = Error term

\( \beta_0, \beta_1, \) and \( \beta_2 \), are the parameters to be estimated.

In order to find out the relationship between annual income, annual savings and family income of the SHGs, the correlation matrix was computed.

### 1.15 LIMITATION OF THE STUDY

The present work has certain limitations, which must be reckoned with for the purpose of specificity and limited nature of the research undertaken. Errors may occur both in sampling and in social sciences due to inaccurate details given by the NGOs or indifferent attitudes of human beings in answering. Nevertheless, much care has been taken to minimize any type of error in the course of the study. In certain cases, women are influenced to answer by their group members. As there are not much necessary secondary data updated, it will not enable one to compare and contrast the primary data with those of secondary. The study does not aim at an evaluation of the Women’s Empowerment Program as it is a much wider task which needs detailed collection and
analysis which would digress from the base. Hence the present study, though is micro in form, is useful and futuristic as it deals with various aspects of empowerment of women and intervention strategies by the Government and NGO in the empowerment of women.

1.16 PROFILE OF THE STUDY AREA

Pudukottai District is a district of Tamil Nadu state in India. Pudukottai city is the district headquarters and it is also known colloquially as Pudhugai. Pudukottai was organized as a separate district, on 14th January 1974, comprising the former Pudukottai Division of Tiruchirapalli district with some additions from Thanjavur district. Pudukottai District was created by carving out Tiruchirappalli and Thanjavur districts in 1974. The District is bounded by Tiruchirappalli district in the North and West, Sivagangai district in the South, Bay of Bengal in the East and Thanjavur district in the North East. It has an area of 4663 sq. Km. with a coast line of 39 Kms.

Pudukottai District is composed of Two Revenue Divisions namely Pudukottai and Aranthangi which are further divided into 9 Taluks and 765 Revenue Villages. One the basis of Development the District is arranged with 2 Municipalities, 8 Town Panchayats and 13 Panchayat Unions with 498 village Panchayats. The district depends a great deal
on the monsoon for its water supply. This may be due to the fact that the primary source of lively hood for people of Pudukottai District is agriculture and allied activities.

Many of the villages are of ancient foundation. The district was one of the homes of prehistoric man. A very large number of burial sites found in the northern and western parts of the district attest this fact. The archaeological and cultural remains at Kodumbalur, Kudumianmalai, Narthamalai, Kunnandarkoil, Thirumayam, Sittannavasal and Avudayarkoil are the proof of its rich cultural heritage.

A very brief sketch of political history is given here in order to appreciate and understand the mixed legacy of antiquities, monuments, epigraphs and the like. The history of Pudukottai is an epitome of the history of South India. In and around Pudukottai, there are many vestiges of the oldest habitations of man and some of the lithic records known in the south. The Pandyas, Cholas, Pallavas, Hayasalas, Vijaynagar and Madurai Nayaks ruled over this part of the country and fostered it’s communal organizations, trade and industries and embellished it with temples and monuments of outstanding merit.

Sangam Tamil literatures mention some place names of the district. Oliyamangalam (Thirumayam Taluk) is called as Ollaiyur in Puranauru. It was the birth place of poet Ollaiyur Kilan Makan Perumchattan and Ollaiyur Thantha Budha Pandyan. Agananuru also mentions Ollaiyur. It seems to have been an important city of the Pandyas. Four other places also find place in the Sangam classics. They are Ambukkovi, the ancient Alumbil, referred to in Agananuru; Avur the home of the poets Avurkilar,
Avur Mulamkilar; Erichi, the ancient Erichalur which had been identified with Erichi Village in Pudukottai- Aranthangi road (But according to recent researches a village near Illupur). It was probably the home of the poet Madalan Madurai Kumaranar. Avayapatti is traditionally associated with Avvaiyar, who is believed to have lived here for some time. This district was under the Pandyas of the first empire during Sangam period, but some part of its northern boundary had been under the influence of the Cholas of the Cholas of Uraiyur, since a few villages here bear the prefix like “Killi” and “Valavan” both of which are the titles of the Cholas.

The Thondaimans of Pudukottai came to rule with full sovereignty over the Pudukottai area from the middle of the 17th century till it’s amalgamation with the rest of India after Indian Independence in 1947. The ancestors of the Pudukottai ruling line of Thondaimans, are migrants from Thiruppathi region in the Thondaimandalam, the northern stretch of the ancient Tamil Kingdom, along with the Vijaynagar army, which was in engagement in this part of territory in the early 17th century. It is probable that one among them got some lands assigned to him by the local Pallavarayar chieftain and settled down at Karambakudi and Ambukovil area, and became the chieftain of the area, later came to be called as the progenitor of Thondaimans of Pudukottai ruling house.

According to Census 2001 the total population of the District stands as 14,52,269. Pudukottai district has experienced an average decadal growth rate of 31% during the period 1951-2001. The total population for the district in 1951 census was only 4.8 lakhs and it doubled in 1971 with the growth of 9.47 lakhs. According to Census 1991 it
stood as 13.3 lakhs and by 2001 it reached 14.52 lakhs. It indicates that the percentage variation between urban and rural areas is significant. Population increased on an average of 29 percent in urban areas than 13 percent in rural areas from 1971 to 2001.

The District has two Revenue Divisions namely Pudukottai and Aranthangi. Pudukottai Revenue Division has Six Taluks, namely, Pudukottai, Alangudi, Thirumayam, Kulathur, Gandarvakottai and Illuppur and eight Blocks namely, Annavasal, Arimalam, Gandarvakottai, Kunnadarkoil, Ponnamaravathy, Pudukottai, Thirumayam and Viralimalai. Aranthangi Revenue Divisions has three Taluks namely, Aranthangi, Avudaiyarkoil and Manamelgudi and five Blocks namely, Aranthangi, Avudaiyarkoil, Karambakudi, Manamelgudi and Thiruvarankulam.

**Industrial Estates in Pudukkotai District**

There are three SIDCO Industries Estates and one SIPCOT Complex in Pudukottai District.

**Overview of the Industrial Scenario**

Heavy Steel And Structural Fabrication, Manufacturing of boilers, Modern Rice Mills, Coir Products and Coir Briquettes, Fisheries based industries like, fish processing, manufacturing of fish meal, Fabrication, servicing and repairing of mechanized boats, Ice plants, cold storage, Articles from Seaweed, Mineral based industries like mechanized bricks, Mangalore tiles, Ceramic and, Masonic tiles, Attangudi tiles, Granite cutting and polishing, blue metal jelly, quicklime, white cement, Forest based industries like
manufacturing of paper, gums, sawmill, Agro based industries, Automobile ancillaries, Cashew based units, Solar equipments, Poultry feed and cattle feed and Leather Products.

IT AND IT ENABLED SERVICES

In this scenario, more than 5000 students in computer science and trained young people coming out every year in this district, there is good scope for starting Data Entry Centres, Software Development and Internet Browsing Centres. In the Hardware Sector, Assembling of computers, hardware maintenance, manufacture and supply of stationeries, Furniture and consumables, have good scope in future. As Pudukottai is a resource centre and ‘Non Developed Centre’ some big software companies may open shops in this centre, to give a kick start to the exercise.

MAJOR INDUSTRIAL CLUSTER IN THE DISTRICT

- Structural and Steel fabrication-Pudukottai and Mathur
- Wire and wire products-Pudukottai and Methur
- Coir fiber, Rope and Pith block-Aranthangi, Avathankottai, and Keeramangalam
- Gem cutting-Annivasal, Illupur, virimalai, and Thiruvappur
- Rice mills-Alangudi, Aranthangi, and Pudukottai
EXPORT POTENTIALS OF THE DISTRICT

Fish and Fish Products, Coir Products and Coir Pith block, Cashew nut, Granite Products and Gem stone.

OTHER POTENTIAL NON FARM SECTOR OF INDUSTRIES IN THE DISTRICT

Raw material Based

Coir fiber, Rope and coir pith block, Rice mill, Oil mill, Cashew nut Processing, Paper mill, and Fisheries based products.

Demand Based

Steel and structural fabrication, fertilizer and pesticides and manufacturing of agricultural implements.

Skill based

Gem cutting, steel and Structural Fabrication

Export Oriented

Fish and Fish Products, Cashew nut Processing, Granite Products, Coir Products and Coir pith block
Rural artisans based

Terracotta and Earthenware-Malaiyur, Alangudi, Brass Utensils- Ponnamaravathy, and Brass sculpture-Ponnamaravathy.

LOCATION OF THE STUDY AREA
BLOCK WISE POTENTIAL PROFILE

Annavasal

Oil Mill, Agricultural implements, Readymade Garments, Steel Furniture, Bakery, Gem cutting, Pottery and Terra Cotta, Quarries.

Aranthagi

Oil Mill, Flour mill, Coir products, Paddy hulling, Saw mill, Readymade Garments, PVC accessories, Detergent Cakes, Mosaic tiles, Aerated waters, Xerox, Printing and Binding, Bakery, Color Film Processing, steel Furniture, Domestic Utensils, Gates and Grills, Radio Repair, and servicing, Auto Mobile Repairs and servicing.

Arimalam

Oil Mill, Flour mill, Wood saw mill, papers and Boards, Readymade Garments, Metal Engraving, Coir Products, Pottery Terracotta, Palm leaf products, Beads and Garlands.

Avudaiyarkoil

Flour mill, Oil Mill, Coir products, Agricultural implements, Aluminum Utensils, Oil Engine repairs, Aerated waters, Pottery, Terracotta, Fishnet making, Palm leaf products.
**Gandarvakottai**

Oil Mill, Flour mill, Agricultural implements, Mechanized Bricks, Tiles, Cashew Processing, Groundnut cake making, and Art Glass works.

**Karambakudi**

Dhal mill, flour mill, Oil mill, Agricultural implements, Type retarding, Pottery Terracotta, and Korari mat weaving.

**Kunnadarcoil**

Dhal mill, flour mill, Oil mill, Saw mill, Agricultural implement, Aerated Waters, suit cases, Coir products, Sculpture, and Quarries.

**Manamelgudi**

Flour mill, Oil mill, Charcoal Powder, Bakery, Aerated Water, Pottery, Terracotta, Fish Net, Beads and Garlands.

**Ponnamaravathy**

Oil Mill, Flourmill, Sawmill, Dyeing and bleaching, Stainless Steel Utensils, Brass Utensils, Automobile Servicing, Coil Rewinding Bakery, Aerated Waters, and Coir Products.
Pudukottai

Flour mill, Oil mill, Soap nut Powder, Beta nut, Sugarcane crushing, Agricultural implements, Saw mill, Readymade Garments, Plastic woven sacks, Tube vulcanizing, Rexene seat cover, Bio Chemical testing Type Retarding, PVC Electric Accessories, steel Furniture, Soap Making, Electro plating, Moped / Cycle Repair, Domestic Utensils, Coil Rewinding, Battery Charging, TV, Radio and Computer Servicing, Automobile Body building, Mosaic tiles, Printing, Color Photo Studio, Envelope Making, Xerox, Pottery, Terracotta, Snack bar, Sculpture, and Cashew nut processing.

Thiruvarankulam

Flour mill, Oil mill, Groundnut decorticating, saw mill, Polythene bags manufacturing, Detergent Cake, Domestic Utensils, Cycle repairing, Printing, Bakery, Aerated Waters, Pottery, Terracotta, Coir Products, and Bangles.

Thirumayam

Flour mill, Oil mill, Saw mill, readymade garment, Domestic Utensils, Electric Motor rewinding, automobile servicing, Mosaic tiles, Bakery, Aerated waters, Pottery, Terracotta, Beads and Garlands, and Wooden articles.

Viralimalai
Flour mill, Oil mill, Saw mill, Readymade garments, Detergent cake, Gate and Grill making, Kalyan Stores, Steel Fabrication, Limekiln, Card board, Bakery, Bone Meal, Pottery Terracotta, Coir, and Gem cutting.

**TABLE 1.2**

**TRADE AND COMMERCE**

<table>
<thead>
<tr>
<th>Town</th>
<th>Imported</th>
<th>Exported</th>
<th>Manufactured</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alagapuri</td>
<td>Pulses</td>
<td>Paddy</td>
<td>N.A</td>
</tr>
<tr>
<td>Alangudi</td>
<td>N.A</td>
<td>Groundnut</td>
<td>Groundnut oil</td>
</tr>
<tr>
<td>Aranthangi</td>
<td>N.A</td>
<td>Rice</td>
<td>N.A</td>
</tr>
<tr>
<td>Iluppur</td>
<td>Paddy</td>
<td>Artificial Diamond</td>
<td>Artificial diamond</td>
</tr>
<tr>
<td>Kadaipatti</td>
<td>N.A</td>
<td>N.A</td>
<td>N.A</td>
</tr>
<tr>
<td>Kiranur</td>
<td>Groundnut</td>
<td>Rice</td>
<td>Aluminum Vessels</td>
</tr>
<tr>
<td>Ponnamaravati</td>
<td>N.A</td>
<td>N.A</td>
<td>Utensil</td>
</tr>
<tr>
<td>Pudukottai</td>
<td>N.A</td>
<td>N.A</td>
<td>N.A</td>
</tr>
<tr>
<td>Pudukottai</td>
<td>Chilies</td>
<td>Skin</td>
<td>Chewing tobacco</td>
</tr>
</tbody>
</table>

*pSource: Secondary Data*

**PLACES OF TOURIST INTEREST**

Pudukottai Government museum, Sri Kokaranewar Temple and cave at Thirukokarnam, Sittannavasal Temple, and Temple with thousand pillar Hall at
Kudumiyamalai, Anna Agricultural Farm, and Subramania Temple at Viralimalai and Temple at Narthamalai.

### TABLE 1.3

**DISTRIBUTION OF RELIGION BY SEX WITH PERCENTAGE OF TOTAL POPULATION (DISTRICT 2001)**

<table>
<thead>
<tr>
<th>Religion</th>
<th>Particulars</th>
<th>Persons</th>
<th>Males</th>
<th>Females</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Total</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Rural</td>
<td>1,459,601</td>
<td>724,300</td>
<td>735,301</td>
<td>100.00</td>
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<tr>
<td></td>
<td>Urban</td>
<td>1,211,217</td>
<td>600,511</td>
<td>610,706</td>
<td>100.00</td>
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<tr>
<td></td>
<td></td>
<td>248,384</td>
<td>123,789</td>
<td>124,595</td>
<td>100.00</td>
</tr>
<tr>
<td>Hindu</td>
<td>Total</td>
<td>1,293,539</td>
<td>642,511</td>
<td>651,028</td>
<td>88.62</td>
</tr>
<tr>
<td></td>
<td>Rural</td>
<td>1,093,874</td>
<td>542,960</td>
<td>550,914</td>
<td>90.31</td>
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<tr>
<td></td>
<td>Urban</td>
<td>199,665</td>
<td>99,551</td>
<td>100,114</td>
<td>80.39</td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Hindu</td>
<td>97,605</td>
<td>47,560</td>
<td>50,045</td>
<td>6.69</td>
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<tr>
<td></td>
<td>Rural</td>
<td>61,589</td>
<td>29,618</td>
<td>31,971</td>
<td>5.08</td>
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<tr>
<td></td>
<td>Urban</td>
<td>36,016</td>
<td>17,942</td>
<td>18,074</td>
<td>14.50</td>
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<td></td>
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<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Christian</td>
<td>66,361</td>
<td>33,126</td>
<td>33,235</td>
<td>4.55</td>
</tr>
<tr>
<td></td>
<td>Rural</td>
<td>54,217</td>
<td>27,109</td>
<td>27,108</td>
<td>4.48</td>
</tr>
<tr>
<td></td>
<td>Urban</td>
<td>12,144</td>
<td>6,017</td>
<td>6,127</td>
<td>4.89</td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Sikh</td>
<td>596</td>
<td>326</td>
<td>270</td>
<td>0.04</td>
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<tr>
<td></td>
<td>Rural</td>
<td>367</td>
<td>205</td>
<td>162</td>
<td>0.03</td>
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<tr>
<td></td>
<td>Urban</td>
<td>229</td>
<td>121</td>
<td>108</td>
<td>0.09</td>
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<td></td>
<td></td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Buddhist</td>
<td>220</td>
<td>113</td>
<td>107</td>
<td>0.02</td>
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<tr>
<td></td>
<td>Rural</td>
<td>150</td>
<td>82</td>
<td>68</td>
<td>0.01</td>
</tr>
<tr>
<td></td>
<td>Urban</td>
<td>70</td>
<td>31</td>
<td>39</td>
<td>0.03</td>
</tr>
<tr>
<td>District</td>
<td>Particulars</td>
<td>Population</td>
<td>Male</td>
<td>Female</td>
<td></td>
</tr>
<tr>
<td>----------</td>
<td>-------------</td>
<td>------------</td>
<td>--------</td>
<td>----------</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>247,471</td>
<td>123,701</td>
<td>125,770</td>
<td></td>
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<tr>
<td></td>
<td>Rural</td>
<td>221,161</td>
<td>108,583</td>
<td>111,578</td>
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<tr>
<td></td>
<td>Urban</td>
<td>28,310</td>
<td>14,118</td>
<td>14,192</td>
<td></td>
</tr>
</tbody>
</table>

Population of Scheduled Tribes (district (2001))

<table>
<thead>
<tr>
<th>District</th>
<th>Particulars</th>
<th>Population</th>
<th>Male</th>
<th>Female</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Total</td>
<td>792</td>
<td>398</td>
<td>394</td>
</tr>
<tr>
<td></td>
<td>Rural</td>
<td>432</td>
<td>214</td>
<td>218</td>
</tr>
<tr>
<td></td>
<td>Urban</td>
<td>360</td>
<td>184</td>
<td>176</td>
</tr>
</tbody>
</table>
Source: Censes from 2001

EDUCATIONAL INSTITUTION

Naina Mohamad College of Arts and Science, Alagappa Chettiar College of Engineering and Technology, Alagappa Govt. Arts College, Alagappa Institute of Management central Electro chemical Research centre, Ramaswamy Tamil College Sri Sarada Niketan College for Women, Enasthi Rajappa College of Arts and Science, KBYs College of Physiotherapy, Sudharsan Engineering College, Government Arts College for women, HH the Rajah’s College (Autonomous), JJ College of Arts and Science, Annai Khathija Arts and Science College, S.S.R Polytechnic College, Arasamalai, Sri Bharathi Polytechnic College for women, Sri Bharathi Arts and Science College for women, Naina Mohamed College of Arts and Science, Kings Engineering College, Aman Teacher Training Institute, National Educational Trust of Management Studies, Ponmari College of education, Karpaga Vinayaga College of Nursing, Chendhuran College of Engineering and Technology, Mahatma Institute of Engineering and Technology Govt College of Education, Image College of Arts, Animation and Technology, Annai meenakshi college of Education, Mount Zion College of Engineering and Technology, Infant Jesus College of Engineering, Mother Terasa College of Education for women etc.

1.17 CHAPTER SCHEME