CHAPTER – I

1.1 INTRODUCTION

Women represent about 50% of the total world population and are considered as an inseparable segment of human society. Though we say women are termed as ‘Sakthi’ (power), but unfortunately in the reality, they have been the vulnerable section of society. As far as our India is concerned in most places women are not treated on par with men and they have been a segment of poverty – struck population. This affects the morale of the women as a whole. The women should be made independent empowered, provided with necessary rights, education, and employment and so on. So the need of the hour is to address these issues and take necessary steps such that women play a significant part in the society and also has a value and respect which also plays a vital role in the society.

Women’s empowerment is the key to socio economic development of the community; even our government’s major concern is to bring women into the mainstream of national development.

1.1.1 Empowerment

Empowerment can be understood as enabling people to acquire and possess resources in order to make decision on their own or resist decisions that are made by others that affect them. It’s a process of awareness and capacity building leading to greater decision making power, control and transformative action. **International Women's Conference at Nairobi (1985),** Empowerment as a concept was introduced at the International Women’s conference at Nairobi in 1985. The conference defined
empowerment as “A redistribution of social power and control of resources in favor of women. Empowerment is a multi – faceted process which encompasses many aspects ie., enhancing awareness, increasing access to resources of economic, social and political etc., Mishra.B.N, Sri D.Das, (2000), Empowerment is a multi – pronged concept which enables one to realize or actualize one’s lot in various spheres of life.

1.1.2 Women Empowerment

In recent years women empowerment has become a subject of great concern for all the nation in the world especially in poor and developing countries, Even the UN has also strived hard in an incredible way to draw the attention of the world community on this issue in the past years. Empowerment is a continuous process involving dynamic and drastic changes in several spheres in our society. This requires an attitudinal shift in our perception about women and in the various parameters involved in their development. Women empowerment broadly involves four dimensions economic, social, political and legal. Of all these, economic independence or economic empowerment of women is very much significant for sustainable development of the society and all round progress of the nation. This was made possible through the concept of Self Help Groups, through which another facet of women was brought out by these Self Help Groups – the entrepreneurship within them. The concept of Self Help Groups have touched each and every level of women irrespective of geographical area, economic status, educational level, income level etc., Hence the study travelled to find out whether the SHGs have brought empowerment among the members through Bank Linkage Program in Perambalur District.
1.1.3 Self Help Group

Self Help Groups have been considered as a powerful means for achieving ‘financial inclusion and alleviation of poverty’ enabling the rural poor to increase their income opportunities and reduce economic vulnerability. Since 1992 the SHGBLP was implemented by NABARD in India. This has experienced significant growth over time in terms of coverage and amount of credit to poor people in rural areas. They are known as savings and credit group in India. A small group of individuals (may be 10 – 20) become members and pool their savings on a regular basis to form a collective fund. This fund is then rotated as credit amongst the members through a system of self-generated norms. The basis of Self Help Groups is the mutuality and trust in depositing individual savings in group funds. Once the initial trust is established, the incentive or motivation for a member is the access provided to financial services through the common pool fund, which is higher than the individual’s own savings.

Once such an Self Help Groups is formed and stabilized, it is possible for it to become a source of fund to others outside the Self Help Groups. If Self Help Groups are observed to be successful for at least a period of six months, the bank gives credit usually amounting four times more than their savings.

1.1.4 Empowerment of Women Through Self Help Groups

The principle underlying the SHGs are financing the poorest of the poor for achieving holistic empowerment. SHG concept definitely brings group consciousness among women, sense of belonging and, adequate self confidence. What cannot be
achieved as an individual, can be accomplished as a member of group with sufficient understanding about her own rights, roles, privileges and responsibilities as a dignified member of society in par with man. When a woman becomes a member in Self Help Groups, her sense of public participation, enlarged horizon of social activities, self activities, self – esteem, self – respect are enhanced and also the quality of status of women as participants, as decision makers and beneficiaries in the family and society is also expanded.

The study aimed to find out the empowerment of women through Self Help Group Bank Linkage Program in Perambalur District. The member of SHGs at Perambalur district pooled their small savings regularly at a prefixed amount on monthly basis and SHGs provide loan to members for a period fixed. There are essentially formal and voluntary association of 12 to 20 people formed to attain common objectives. People from homogenous groups, common social back ground and occupation voluntarily forms the group and pool their savings for the benefit of all of members of the groups. The NGOs in the districts which are nearly 7, direct its SHGs to the banks for financial assistance after providing adequate training to them.

1.2 NEED AND IMPORTANCE OF THE STUDY

_Urvasi Gulati (1995),_ Right from the independence our Indian government has brought in lot of schemes for the rural upliftment. But those schemes have not brought any significant improvement in the conditions of the poor including women. The schemes should be programmed in such a way that it recognizes their problems and constraints and only then it should be formulated such that it suits their specified needs. To uplift the rural masses it is essential to uplift the rural women. This is the
need of the hour, because emancipation of women is an essential criterion for economic development and social upliftment of our nation. This was made possible to an extent through the emergence of Self Help Groups. The concept of Self Help Groups i.e., women working in the groups has brought out the talents and skills of women folks which has resulted in the empowerment of women, as an individual, in family and also in the society. Through the collective action of the SHG it has brought remarkable increase in the income generation of a women individual, eradication of poverty, recognition in society and also empowerment in the women. These Self Help Groups have made its women members transformed and elevated such that they are able to take leadership position in the long run. Both socially and economically the empowerment of women has been achieved through Self Help Groups – Bank Linkage Program. Hence the study was attempted to understand the empowerment of women through SHGBLP in Perambalur district.

1.3 STATEMENT OF THE PROBLEM

The present study attempted to analyse and understand the prospects of SHGBLP which have brought empowerment to the women community in Perambalur district. The study also expanded the area of interest in knowing the drawbacks of SHGBLP and the limitations that they have.

The study analyze the concept of empowerment in various dimensions like business achievement, education, economic, social and political aspects because these said dimensions are giving the overall picture of gaining empowerment by the SHG members in Perambalur district.
In spite of its prospects that it has brought to the women community, the same has certain problems which hinders the growth of the SHG sector. The members feel that the interest rates charged are sometimes high to meet and discharge ratio is 1:4 (saving – credit). The marketing facilities are very much lacking and they their ends. The marketing facilities are very poor and are not commercially motivated in that district.

The main research problem which is focused in the current study is to elaborate the prospects, problems and their inter – relationship.

1.4 SCOPE OF THE STUDY

The effective implementation of the Self Help Group scheme is proved beyond doubt to be a vital source for poverty alleviation and empowerment of rural women. Due to its benefits, the scheme has been popularized throughout the nation. The rural poor have enormous economic growth potential through inheriting the Self Help Group concept.

The rural development is the backbone of national development. Hence, any study which focuses its attention to ascertain the factors of rural development has a fascinating wide scope. The state and central government impeded in their national developmental activities due to rural poverty and lack of education. Hence, this study has its peculiarity in dealing with rural and urban women which is the weakest section in the society.

The study area is restricted to Perambalur District of Tamil Nadu where scope for opting for agro and non farming activities are high. The study covers the various
elements like self – empowerment, group empowerment and bank contribution to empowerment of the rural poor women situated in the study area.

1.5 OBJECTIVES

❖ To enumerate the growth profile of SHGBLP.
❖ To study the socio economic profile of SHGBLP in women empowerment.
❖ To identify the factors influencing empowerment of women through SHG bank linkage programs.
❖ To evaluate SHGBLP members perception in women empowerment.
❖ To find SHGBLP problems and its association with women empowerment.

1.6 HYPOTHESIS

❖ The factors influencing women empowerment do not differ significantly.
❖ There is no association between SHGBLP business and women empowerment.
❖ There is no relationship between problems and prospects of SHGBLP and women empowerment.
❖ There is no significant influence of personal details on problems and prospects of women in SHGBLP.

1.7 METHODOLOGY

The study is conducted using both analytical and descriptive type of methodology. The study primarily depends on primary and secondary data.
Study Area

The Survey is conducted in Women Self Helps Groups located in Perambalur District near Trichy. Large number of women in Perambalur district are members of SHGs. Members are in the nature of employees, business women, coolies and artisans.

The district is fairly rich in mineral deposits. Celeste, Lime Stone, Shale, Sand Stone, Canker and Phosphate nodules occur at various places in the district. A good deal of building stone (rough stone) is quarried in Perambalur, Kunnam and Veppanthattai Taluks. Sugarcane is grown as a major commercial crop, the pre-dominate soil in the district is red sanding with scattered pockets of black soil. The soil in the district is best suited for raising dry crops, through which lot of employment opportunities are gained by people of Perambalur district. Even economic standard of individual is also improving.

Before starting SHGs in Perambalur district, people depended upon bank credit or private money lenders even for Rs.1000 to 10000, for which they had to give security also, if not it would affect their children’s basic education and also their basic needs. But this grief has washed out by SHGs. Now - a – days women can take economic decisions, contribute finance to her family, take decision towards female child education and also associate with the society and involve in politics after joining with SHGs.
Sampling Size and Design

The primary data are collected through survey method. Survey is conducted generating data. Samples for the purpose of the study are selected systematically.

<table>
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<th>Name of Blocks</th>
<th>No. SHGs</th>
<th>No. of members</th>
<th>Questionnaire issued</th>
<th>Questionnaire collected</th>
<th>Questionnaire Rejected</th>
<th>Questionnaire Selected</th>
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</thead>
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<td>14600</td>
<td>146</td>
<td>146</td>
<td>21</td>
<td>125</td>
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<tr>
<td>Veppanthattai</td>
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<td>22007</td>
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<td>203</td>
<td>28</td>
<td>175</td>
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<tr>
<td>Alathur</td>
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<td>11321</td>
<td>113</td>
<td>110</td>
<td>25</td>
<td>85</td>
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<tr>
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<td>16997</td>
<td>170</td>
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<td>64925</td>
<td>649</td>
<td>622</td>
<td>122</td>
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</table>

There are 4 blocks in Perambalur District, totally 649 Questionnaires were distributed and 622 were collected out of which 122 were found unfilled and biased and 500 completed questionnaires were found usable. The table here gives details of SHGs block wise as on 31st March 2010. There are four blocks in the district of Perambalur namely Perambalur, Veppanthattai, Alathur and Veppur. The block has divided into rural and urban areas. Together there are about 4,016 SHGs consisting of 64,925 members in the district.

Sample Selection

The multi stage random sampling method is applied to collect the primary data. This sampling method is justified as follows: The district has been parted into four blocks namely Perambalur, Veppanthattai, Veppur and Alathur. The whole SHGs from this district are downsized into women SHGs in the first stage of sampling. In the second stage women SHGs are taken from four blocks. After these two stages, the
random sampling method is applied to obtain the responses from the members based on their performance and achievements. Hence, the multi stage sampling method is justified to collect the samples from the women SHGs in Perambalur district.

**Questionnaire Design**

The primary data were collected through questionnaire survey. The respondents are asked to give their opinion relating to the prospects of five empowerment namely Business achievement, Educational Empowerment, Economic Empowerment, Social and political Empowerment and problems faced by the Self Help Groups members. The first part of the Questionnaire comprises Demographic factors with optional questions. The second part includes statements relating to Prospects of women SHG members with Likert’s 5 point scale. The third part consists of statements about problems faced by Self Help Groups members. All relevant statements are included to derive responses.

**Scaling Technique in the Questionnaire**

The questionnaire comprised of both optional type and Statements in Likert’s 5 point scale. The responses of these sections are obtained from the members of women SHGs in the 5 point scale, which ranges as follows:

5 – Strongly agree, 4 – Agree, 3 – Neutral, 2 – Disagree, 1 – Strongly Disagree

**Secondary Data**

The Secondary data are collected from Journals, Magazines, Publications, Books, Dailies, Periodicals, Articles, Research Papers and Websites.
Pilot Study

A pilot study was conducted to validate the questionnaire and to confirm the feasibility of the study. The filled up Questionnaires are collected from 50 respondents and Cronbach’s Alpha Criterion was applied to test the reliability. The researcher collected considerable number of sample to ascertain the reliability and validity of the statement in likert’s five point scale as far as business achievements are derived and the researcher is duty bound to increase at least 5 more statement during main study after reviewing the literature. In the case of educational empowerment also save status is prevailing. The social empowerment posses poor reliability with less than 0.75(<0.75) is prevailing therefore number of statement must be increased. In the case of economic empowerment there is no need to change the statement, similarly in the case of problems the statement needs to be increased to identify the entire problem expressed by the SHG members. Based on the pilot study, the questionnaire was modified suitably to elicit response from the sample group.

DATA ANALYSIS

The Primary data collected were analyzed using the SPSS (Statistical Package for Social Sciences) computer packages.

The Statistical tools used for obtaining results are as follows:

- Simple percentage analysis is used to describe both primary and secondary data.
- A parametric t-test is approximately applied to ascertain the opinion on SHG members in Perambalur district.
Factor analysis by principal component method to drive the predominant factor of empowerment and problems.

K – Means cluster analysis is found suitable to identify the existence of heterogeneous groups of Self Help Groups members.

The non-parametric chi-square analysis of association is used to find the association between personal and organizational details as well as problem and prospects of Self Help Groups members in Perambalur district.

The Linear multiple Regression analysis is brought to bear on the problems of measuring the influence of independent variables on dependent factors.

One – way analysis of variance is found appropriate to measure the influence of unique independent variable on multiple dependent variables.

1.8 LIMITATIONS OF THE STUDY

The study focuses on the empowerment of the rural women through bank credit in Perambalur district of Tamil Nadu only. The study considers the self and group empowerment and banks’ contribution to empowerment of the Perambalur District women. The study is based on the attitude of the SHG members and its subject to change in the near future. The study does not discriminate among members.

The members express their views regarding their empowerment based on the prevailing current situation. The questionnaire study is conducted among the SHG members of the 4 blocks of Perambalur district. As it is a perception study, results cannot be generalized. The study is restricted to the opinion of 500 respondents.
distributed over 4 blocks proportionally. This study has its limitation in its dealing with NGOs in charge for 4 blocks of Perambalur district to induce the SHG activities.

1.9 CHAPTERISATION

CHAPTER-I

Introduction covers the problems faced by women, empowerment of women, empowerment of women through SHGs, need and importance of the study, statement of the problem, scope of the study, objectives of study, research methodology and limitation of the study.

CHAPTER-II

Review of literature of literature draws the review of literature relevant to Women empowerment in different context, banker’s contribution and institutional contributions towards SHGs.

CHAPTER-III

An overview of SHGs, evolution and progress of SHG in India, district wise SHGs progress in Tamil Nadu and a profile of Perambalur district.

CHAPTER-IV

An analysis of Socio economic profile and business details of SHGs, factors influencing the empowerment of women through SHG bank linkage programs, their perception over the process of empowerment and relationship between problems and empowerment of women SHGs with their SHG details.
CHAPTER-V

An analysis of intensity of the problems of SHGs and their relationship with prospects and the influence of personal variables of women SHGs on the factors of empowerment and problems.

CHAPTER-VI

Findings, suggestions and conclusion.