CHAPTER - VI

Analysis
Participation in Gram Sabha Meetings

In Table 22, details regarding the number of times the respondents participated in Gram Sabha are presented. It is aimed to know whether the participation in the Gram Sabha meetings in both districts is the same or not. It has been analysed using Pearson Chi-square test and it is hypothesised that the respondents’ attending of the Gram Sabha meetings is the same in both the districts.

The Chi-square test shows that there is no reason to reject our hypothesis and it is inferred from this analysis that the percentages of respondents attending Gram Sabha meeting is the same in the two districts. Almost 14 per cent and 33 cent of the beneficiaries respectively of Kancheepuram and Virudhunagar districts respectively have attended these meetings more than two times. Nearly Forty per cent of respondents never attended the Gram Sabha meetings in the study area.

Purpose of Participation of the Gram Sabha meetings

Purpose of participation in the Gram Sabha meetings is given in Table 23. Seventy per cent of respondents have attended the meetings to get the basic facilities in their area. Nearly 69 per cent of respondents attended the meetings to get loan facilities in Kancheepuram district, whereas only 17 per cent of the respondents in Virudhunagar district have participated the meetings for the same purpose.

Purpose of visit to the Village Panchayat

The number of persons visiting village panchayats for various purposes is given in Table 24. Out of 350 respondents, only 279 have visited the Village Panchayats. About 77 per cent in Kancheepuram district and about 46 per cent in Virudhunagar district have approached Village Panchayats for collecting
information on loan facilities. More than 60 per cent of respondents have visited Village Panchayats to demand basic facilities in their villages.

PRI Personnel

Details of the Panchayati Raj Institutions personnel contacted by the respondents are presented in Table 25. In both the districts, most of the respondents (250 respondents) in the two districts got the necessary information from politicians. There are 80 respondents in Kancheepuram district and 45 respondents in Virudhunagar district approached the officials for getting details regarding loan facilities, and basic facilities.

Performance of PRI Personnel

Details about the performance of Panchayati Raj Institutions personnel in the two districts are given in Table 26. More than fifty per cent of respondents in the study areas felt that Village Panchayat Presidents and Ward Members were functioning well. Nearly 66 per cent of respondents in Kancheepuram district and 45 per cent of respondents in Virudhunagar district felt that Panchayati Raj Institutions Officials were performing well.

Performance of Panchayati Raj Institutions

In Table 27, performance of Panchayati Raj Institutions in the two districts is given. It shows that 62 per cent to 70 per cent of respondents perceive high level of performance of Panchayati Raj Institutions due to Good/ Proper Administration, lack of corruption, lack of castism and lack of influences by relatives. Moreover ‘Other reasons’ also feature in holding Panchayati Raj Institutions in high esteem, but the degree varies vastly between the districts i.e., 16 per cent respondents from
Kancheepuram district and 65 per cent respondents from Virudhunagar district attributed other reasons for this performance rating.

Awareness on 73rd Constitutional Amendment

In Table 28, awareness about the 73rd constitutional amendment or new Panchayati Raj act by the respondents are given. Out of 350 respondents, only 36 respondents are aware of 73rd Constitutional Amendment. Mostly they are aware of the decentralised powers and responsibilities, mandatory election and reservation for Scheduled Caste/Scheduled Tribe and Women. (Table 29)

Awareness of Rural Development Programmes and Infrastructural Developments

Awareness on Rural Development Programmes

Awareness of rural development programmes among respondents in the two districts is specified in Table 30. Almost all the beneficiaries in the district of Virudhunagar are aware of Integrated Rural Development Programme, 86 per cent of them are aware of Periyar Nainivu Samathuvapuram and 72 per cent are aware of Swarnajayanthi Gram Swarojgar Yojana, whereas, in Kancheepuram the awareness of rural development programmes is comparatively lower, 81 per cent of respondents aware of Integrated Rural Development Programme and 75 per cent Periyar Nainivu Samathuvapuram and 63 per cent of them aware of Swarnajayanthi Gram Swarojgar Yojana. Less than 20 per cent of respondents are aware of Employment Assurance Programme and Centrally Sponsored Rural Sanitation Programme in both the districts.
Infrastructure Developments

Information regarding infrastructure developments in the two districts is presented in Table 31. More than 50 per cent of respondents in the two districts said that they are provided with some infrastructure facilities like new school buildings, bus stop, road facilities, public distribution building, and water tanks in their places.

Lapse in Infrastructure Developments

In Table 32, various obstacles in implementing the infrastructure facilities in these districts are given. About 29 to 33 per cent of the respondents reported that corruption in the implementation of infrastructure development projects. In the districts of Kancheepuram and Virudhunagar, almost one-third (35) and half (52) of the respondents respectively felt that there was poor quality administration in rural development activities.

Wage Employment Programmes

Utilisation of Wage Employment Programmes

Utilisation of Wage Employment Programmes in the two districts is presented in Table 33. About two to six per cent of respondents have availed employment through these programmes. At the same time, most of them who gained employment through Wage Employment Programmes, are not aware of the programme that fetched them the employment. They feel that the number of working days of Wage Employment Programmes is not adequate to fulfil their basic needs. (Table 35 and Table 36).
About 96 per cent of total respondents have not availed the Wage Employment Programmes, because they feel that the jobs through these programmes are not long lasting, or inadequate salary and hence they are not interested. And some of the respondents did not avail the facilities due to some personnel reasons (Table 37).

Self-Employment Programmes

Loan availed through Self-Employment Programmes

The respondents and self-employment programme in the two districts are presented in Table 39. About 41 and 58 per cent of respondents in Kancheepuram and Virudhunagar districts respectively have availed loan under Integrated Rural Development Programme and Swarnajayanthi Gram Swarojgar Yojana respectively. Those who have availed loans under other programmes (Development for Women and Children in Rural Areas, Ganga Kalyan Yojana and Million Wells Programme) are a meager lot.

Loan Amount

Table 40 shows the loan amount for self-employment loan in the two districts. Whether the loan amount availed by the respondents is the same or not in both the districts? It has been assumed that the loan amount availed by the respondents in the two districts is the same.

The chi-square analysis however refutes the assumption. It is inferred from the above analysis that 16 per cent of beneficiary respondents in Virudhunagar district have availed loan ranging from Rs. 5000 to Rs. 10000 where as in Kancheepuram district, 44 per cent of respondents have obtained loan up to Rs. 5000 through self-employment programmes.
Period of Functioning of Self Help Groups under Swarnajayanthi Gram Swarojgar Yojana (SHGs under SGSY)

Table 41 shows the number of years functioning of SHGs under SGSY in the two districts. It has been assumed that number of years functioning of these groups is the same in the two districts.

The standard $\chi^2$ test has been used to test the assumption and it reveals that the duration of functioning of SHGs under SGSY are same in both the districts. Ninety-two per cent of the respondents in Kancheepuram district and eighty-six per cent of the respondents in Virudhunagar district reported that SHGs under SGSY have been functioning for the past one-year or more. All the SHGs under SGSY beneficiaries in both the districts accepted that their groups have not registered properly under Government Act and they have obtained the loan through their groups’ savings. (Table 42, Table 43, and Table 44)

Members Constituting the SHGs under SGSY

The total numbers of members constituting the SHGs under SGSY are presented in Table 45. It is assumed that the total numbers of SHGs under SGSY members in both the districts are the same. This has been analysed using the Chi-square statistic.

The analysis revealed that there is a significant difference between the computed value of Pearson Chi-square statistic and the Table value. This leads to the rejection of the hypothesis. It has been identified that the total numbers of SHGs under SGSY members in the two districts are not the same. In Kancheepuram district, nearly 50 per cent of respondents belong to less than 15
members’ group category, whereas, it is comparatively less in Virudhunagar district (19 per cent). Almost 30 per cent of the respondents in Kancheepuram district fall in the 20-25 members’ group category, whereas, 50 per cent of respondents in the Virudhunagar district fall in the same category.

**Conduct by SHGs’ meetings under SGSY**

In Table 46, the Conduct by SHGs’ meetings under SGSY in a month is presented. It is assumed that the number of SHGs’ meetings under SGSY group meetings conducted in a month is same in the two districts.

The Chi-square test however rejected the assumption. Almost 75 per cent of SGSY members in Virudhunagar district attended this meeting once a week whereas 40 per cent of them in Kancheepuram district have participated this meeting monthly twice.

**Amount of Savings by SHGs under SGSY**

The Table 47 shows the amount of savings by SHGs under SGSY members. It is analysed using Pearson Chi-square statistic. It assumed that SHGs under SGSY beneficiaries’ savings are the same in the two districts.

It is found from the analysis that the standard $\chi^2$ test accepts the present hypothesis. Almost 50 to 53 per cent of the respondents who are members of SHGs under SGSY Kancheepuram and Virudhunagar districts saved amounts between Rs.51 and 100.
Loan Obtained Through SGSY Group Savings

Loan obtained by the members through SHGs' under SGSY from the savings in the two districts is presented in the Table 48. Almost all the SHGs' under SGSY members have obtained loan from SHGs' under SGSY savings in the district of Kancheepuram and Virudhunagar.

Rate of Interest of Loan

Table 49 shows the rate of interest for loan obtained by the members of SHGs under SGSY through their groups' savings. It is hypothesised that the rate of interest in the investigating area is the same.

The Chi-square statistic shows the rejection of the hypothesis. About 80 per cent of SHGs under SGSY members in Virudhunagar have paid less than 24 per cent of interest whereas 54 per cent of SHGs under SGSY members in Kancheepuram district have paid more than 24 per cent of interest. All SHGs under SGSY are maintaining proper banking accounts and they are handling formal bookkeeping procedures (groups income and expenditure activities). A majority of respondents (about 90 per cent) in both the districts obtain proper guidance from Non Governmental Agencies (Table 50, Table 51, and Table 52)

Sources of Loan Information

Table 53 indicates the various sources through which information about self-employment loan details are obtained. Fifty-five per cent of the respondents in Kancheepuram district approached the village panchayat presidents for obtaining loan details. Nearly 45 per cent of respondents of Virudhunagar district got the loan particulars through NGOs. Only a few of them in both the districts received loan details from ward members.
Purpose Of Loan

 Purposes for which the loan was obtained through self-employment programmes are given in the Table 54. Allied activities emerge as the prominent purpose for receiving loan. Thirty-five per cent of the loan receivers in Kancheepuram district and 52 per cent of them in Virudhunagar district have availed the loan for the same purpose. Business purposes figures next. Eleven per cent of them from Kancheepuram district and 15 per cent from Virudhunagar district have obtained the financial assistance for business reason. Cottage industries also figure as a reason for obtaining loan in Kancheepuram alone. About seven per cent of respondents have gone for that purpose. Out of 350 beneficiaries who availed the self-employment loan, 116 beneficiaries have not utilised loan to generate the employment activities because they felt that self-employment loan amount is very meagre.

 Time taken for Sanction of Loan

 Table 55 indicates the duration of time taken for sanction of loan. Whether the time taken towards sanction of the loan is uniform or not in the two districts? It is hypothesised that the time taken is the same in both the areas.

 The hypothesis was tested out using the Chi-square test and it was accepted. About 68 per cent of respondents in Virudhunagar district and almost 54 per cent in Kancheepuram have obtained the loan within a period of three months.

 Awareness of Subsidy

 Table 56 indicates the awareness of respondents about the subsidy received by the respondents. The standard Chi-square analysis shows that there is uniformity in the awareness of subsidy in both the districts. About 94 per cent of beneficiaries are aware of the subsidy given in the two districts.
Amount of subsidy

Table 57 shows the amount of subsidy and the respective respondents who received it. It is assumed that the percentage of respondents who received the subsidy for loan is the same in both the districts.

Pearson Chi-square test however rejected the hypothesis. It is evident from the analysis that nearly 30 per cent of respondents in Virudhunagar district have availed Rs.4001 - Rs. 6000 as subsidy whereas less than ten per cent of respondents in Kancheepuram district have obtained subsidy ranging from Rs.1501 - Rs.2000.

Difficulties met by the Respondents

Whether respondents met any difficulty to obtain in the loan is presented in the Table 58. It is inferred that obstacles faced by the beneficiaries in obtaining the loan are not uniform in the two districts. Almost 55 per cent of loan receivers faced difficulties in the district of Kancheepuram and in Virudhunagar district nearly 43 per cent of recipients met hindrances to get the loan.

Type of Difficulties in Obtaining the Loan

Table 59 gives about various difficulties faced by the respondents in obtaining the loan. Almost 50 to 90 per cent of respondents in the two study areas expressed that lack of understanding of the banking procedure, not proper information provided by the banking and Panchayati Raj Institution officials and corruption were the main difficulties faced by the respondents to get the loans.
Involvement of Middlemen/Intermediaries

Table 60 indicates the respondents who have gone through middlemen/intermediaries for obtaining self-employment loans. It is assumed that the percentages of loan receivers who have gone through middlemen/intermediaries in both the study areas are the same. Twenty-seven per cent of loan receivers in Kancheepuram district and thirty-three per cent in Virudhunagar district have gone through middlemen/intermediaries for obtaining loan facilities.

Middleman and Respondents

Table 61 gives details regarding the middle man/intermediaries used by the loan receivers. Officials and Politicians emerge as the middlemen involved. It is evident from the analysis that more than 50 to 70 per cent of the respondents in the study areas involved officials as middlemen. Fortyone per cent of respondents in Virudhunagar district, and sixty-six per cent of respondents in Kancheepuram district informed that politicians acted as middlemen for obtaining the loans.

Bribe offered to Middlemen

Are bribes offered to the middlemen/intermediaries by the respondents to get the loans? The prevalence of bribery among intermediaries in the investigating areas is shown Table 62. Out of 105 respondents who approached the intermediaries to obtain the loan, 91 have paid bribe to these persons i.e., 34 from Kancheepuram district, and 57 from Virudhunagar district.

Amount Given as Bribe

How much do you spend for intermediaries? Details with regard to the amount given as bribe to intermediaries are given in Table 63. Does the amount
given as bribe to intermediaries remain the same among the respondents in the two districts? It has been analysed using the standard $\chi^2$ statistic and it is hypothesised that the amount given as bribe is the same in both the research areas.

The Chi-square statistic however rejects the hypothesis. It is concluded from the analysis that about 62 per cent of respondents in Kancheepuram district have paid the bribe amount up to Rs. 500 whereas 30 per cent of respondents of Virudhunagar district have given Rs. 1501 to Rs.6000 as bribe for obtaining self-employment loan.

**Participation in Training Programme**

The details of respondents’ participation in SHGs under SGSY training is presented in Table 64. It is tested whether the proportion of SHGs under SGSY members obtained the training programme is the same in the study areas. The standard Chi-square analysis has been used to test the assumption.

The test done using Chi-square statistic rejects the hypothesis. Hence it is inferred that the number of respondents who have attended the training programmes are not uniform in the two districts taken up for the present study.

**Duration of training programme**

Information regarding duration of training programme is shown in Table 1.165. Whether the duration of training programmes that SHGs under SGSY has attended the same or not in the two districts. It is assumed that the period of training programmes that they have participated is the same in both the districts and it has been tested using the standard $\chi^2$ test.
Chi-square analysis does not indicate any reason to reject the assumption. It is concluded that the period of training programme is uniform in both the districts. A close examination of the Table exhibits that almost 50 per cent of loan receivers in Virudhunagar district have attended the training programme for 1-2 weeks whereas 42 per cent of loan receivers in Kancheepuram have attended these programmes for about a week.

Types of Training and its Quality

The SGSY members and the type of training for various activities are given in Table 66. About 88 to 98 per cent of respondents who attended the training programme in both the districts have participated in the meeting ‘How to function the SHGs under SGSY in their place?’. Those who have attended training programme on agriculture, business, cottage industries, and other purposes are negligible. Majority of respondents (94 per cent) in the two districts opined that the training programme they attended was very good. (Table 67)

Utilisation of Loan Amount

Is the utilisation pattern of loans in the two districts the same? Beneficiary respondents and their utilisation pattern of loan are shown in Table 68. The standard chi-square test is used to analyse the hypothesis that the utilisation of self-employment loan amount is uniform in the two districts.

The Standard χ² test shows the rejection of the hypothesis. It is inferred from the analysis that more than 65 per cent of respondents in Kancheepuram district have not used the loan for the purpose for which the loan was obtained whereas four per cent of respondents in Virudhunagar district have used it partially.
Repayment of loan

In Table 69, repayment of loan in the two districts is given. It is of interest to know whether the repayment pattern of the loan is the same or not in both the districts. It is assumed that the percentage of recipients repaying the self-employment loan is uniform in the two districts.

It is pointed out from the analysis that there is significant difference between the computed value of Chi-square and the table value and so the assumption has been rejected. It is inferred that there is no uniformity of repayment of loan in the two districts. Forty-seven per cent of respondents in Kancheepuram district have repaid the loan fully, whereas 18 per cent of respondents have not repaid the loan in Virudhunagar district. About 22 per cent and 46 per cent of respondents in Kancheepuram and Virudhunagar districts respectively have repaid the self-employment loan partially.

Duration of Non-Repayment of Loan

Is the duration of non-repayment of loan uniform? The duration of non-repayment loan in the two districts is given in the following Table 70. The Standard Chi-square statistic is used to analyse the hypothesis that the duration of non-repayment loan is uniform in the two study areas.

The Chi-square test does not support the hypothesis. It is inferred from this analysis that more than 60 per cent of respondents in Virudhunagar district and about 24 per cent in Kancheepuram district said that they have not repaid the loan. About eight to twenty eight per cent of respondents have not repaid the loan for more than two years.
Reason for Non-Repayment of Loan

Reasons for not repaying the loan are presented in Table 71. Almost 80 per cent of respondents in Kancheepuram district, and almost 45 per cent of the respondents in Virudhunagar district have not repaid the loan properly because they used the loan amount for family needs. About 50 per cent of respondents in both the study areas have expressed that they have utilised the loan to repay the other old loans, or used for religious, or family functions.

Sufficiency of Loan for self-employment

Is the amount of self-employment loan enough for running the venture? If no, do they collect money from other sources? The recipients who approached private sources to obtain private loans are given in Table 72. It is found from the Pearson Chi-square statistic that the beneficiaries who approached private sources to obtain loans are not uniform. In this study area, totally 50 respondents (43 from Kancheepuram district and seven from Virudhunagar district) have obtained the loan from private sources. Majority of private loan borrowers have borrowed money from moneylenders for shortage of self-employment loan amount. Out of 50 respondents who have received money from private people, 33 respondents (27 from Kacheepuram district and 6 from Virudhunagar district) have borrowed money in the range of Rs.2001- Rs.12000 and the rest have obtained up to Rs.2000. In both the study areas, more than 75 per cent of private loan receivers have paid 18-60 per cent of interest for their private loan. Most of the respondents (who borrowed money from private sources) in both the districts have felt that they obtained the loan easily and quickly from private sources. More than 65 per cent of respondents in both the districts have reported that they are paying higher rate of interest for private source of loan. (Tables 6.73 through Table 77)
Opinion about Self Progress after Availing the Loan

Respondents' opinion on self-improvements after availing the loan is given in Table 78. About 45 per cent of respondents of Virudhunagar district and almost 37 per cent from Kancheepuram district have reported that their position has not improved after obtaining the self-employment loan. Out of 350 respondents, 85 respondents (38 from Kancheepuram and 47 from Virudhunagar district) have felt that their status has 'improved' after getting the self-employment loan. About 27 to 40 per cent of respondents reported that as they have obtained the loan recently and hence could not assess the improvements.

Various Improvements

In Table 79, the type of improvements after obtaining the loans in the two districts is presented. About 20 to 44 per cent of respondents in both the districts have accepted that their social status, profession and family income have improved after obtaining the loan. Out of 350 samples, 116 samples (69 from Kancheepuram district and 47 from Virudhunagar district) felt that they cannot assess about any improvements (family income, technical, land, basic facilities and profession) as they have obtained the loan only recently.

Status of Loan

The status of self-employment loan is given in Table 80. A vast majority of respondents have received the loan for the first time.
Non Beneficiaries

Participation in Panchayati Raj Institutions

The Non beneficiary Respondents' participation of PRIs is shown in Table 100. The percentage of people (60 to 70 per cent) who have visited Village Panchayats are high in both districts but the percentages of people (14 to 44 per cent) who have participated in other Panchayati Raj Institutions like District Rural Development Agency, Panchayat Union and Gram Sabha are low.

Opinion on the Performance of Gram Sabha

In Table 101, the opinion of the non-beneficiary respondents on the efficiency of Gram Sabha in both districts is presented. It is of interest to know whether the opinion of the respondents on the performance of Gram Sabha is uniform, or not in the two study areas. It is assumed that the opinion of the non-beneficiary respondents on the performance of Gram Sabha is the same in both the study areas and the standard Chi-square statistic is used to test this hypothesis. The Pearson Chi-square analysis indicates that there is no significant difference between the computed value and the Table value. It is found that the efficiency of Gram Sabha is perceived similarly in Kancheepuram as well as Virudhunagar districts.

Participation of Gram Sabha Meetings

The details on the Participation of Non-beneficiary respondents in Gram Sabha meetings are given in Table 102. Out of 100 respondents, 28 and 32 respondents in Kancheepuram and Virudhunagar districts respectively reported that they have not attended the Gram Sabha meetings. It is observed that there are 22 and 24 per cent of respondents from Kancheepuram and Virudhunagar districts
respectively, have participated 3 to 4 times in the Gram Sabha meetings in these districts.

Matters of Discussion in the Gram Sabha Meetings

In Table 103, details about matters of discussion in the Gram Sabha meetings is shown. In Kancheepuram, 26 to 70 per cent of respondents reported that the meetings discuss about problems of basic needs in their own villages for the welfare programmes as against four to fifty-eight per cent of respondents respectively in Virudhunagar districts who also report the same. Little more than one-third (35) of respondents do not know about Gram Sabha meetings in this study area.

Purpose of Visiting the Village Panchayats

The reasons that were attributed by the respondents for visiting the Village Panchayats are given in Table 104. In the two districts, 65 out of 100 non-beneficiary respondents have visited the Village Panchayats. Most of the respondents (63 per cent) have visited to fulfil their basic needs in their locality. Nearly 25 per cent to 37 per cent of non-beneficiaries reported that they have visited to obtain information on loan from this Panchayati Raj Institution.

Contact with PRI Persons

Table 105 describes the contact persons such as officials of the PRIs, politicians and other persons met by the respondents in order to fulfil their basic needs and facilities. Majority of the respondents (nearly 90 per cent) contacted only the politicians as they are very close to the villagers. It is interesting to note that the number of respondents who contacted the PRI officials were very negligible in both the districts.
Opinion about the Performance of PRI Personnel

Opinion of the respondents about personnel, both officials of the PRI and non-officials, in the two districts is given in Table 106. About fifty per cent of respondents feel that Village Panchayats Presidents are functioning well in the two districts. Almost 40 to 42 per cent of respondents feel that officials and Ward Members carry out their duties well in the two study areas.

Opinion about Panchayati Raj Institutions

Opinion of the respondents on administration, corruption, castism etc., in Panchayati Raj Institutions is shown in Table 107. Most of the respondents in both the districts reported that these institutions are good almost in all aspects.

Awareness of 73rd Amendment to the Constitution

In Table 108, respondents' awareness on new PRIs i.e., 73rd Amendment to the Constitution are presented. It is found from the analysis that respondents' level of awareness about these PRIs is the same in the two districts. Only about one fourth of the respondents in the two districts are aware of the amendment. Among those who are aware of the amendment, most of them are aware of the decentralised powers and responsibilities of PRIs, mandatory election for PRIs and reservation for SC/ST and women. (Table 109)
Awareness of Non-beneficiaries on Programmes Implemented by PRIs

Awareness of Rural Development Programmes

Knowledge about the rural development schemes by the respondents in the two districts is furnished in Table 110. Anna Marumalarchi Thittam, Periyar Ninaiu Samathuvapuram, IRDP and SGSY schemes are very popular in both the districts. On the contrary, they are not aware of Ganga Kalyan Yojana and SITRA in both the districts.

Infrastructure Developments

Infrastructure development projects undertaken by the PRIs by the non-beneficiary respondents in their area are shown in Table 111. Most of respondents have availed some important infrastructural facilities like bus stop, road facilities, water tank and other facilities, which were implemented by the PRIs. But, it is surprising that they do not know exactly from which scheme the PRI provided these facilities.

Problems of Infrastructure Development

In Table 112, the perception of the non-beneficiary respondents about difficulties in infrastructure development is presented. In the district of Virudhunagar, nearly one third of respondents have attributed that poor administration and corruption as the major problems in infrastructure development in their villages whereas in Kanceepuram district, about one fifth of the respondents made the same complaints.
Wage Employment Programmes (WEP)

Reasons mentioned for non-utilisation of Wage Employment Schemes by the respondents in the two districts are provided in Table 113. About two-third and almost 90 per cent of respondents in Kancheepuram and Virudhunagar districts respectively said that they were not interested to work under the wage employment programmes. Almost same number of respondents (18 from Virudhunagar district and 20 from Kancheepuram district) reported that they never sought employment through Wage Employment Schemes for personal reasons.

Self- Employment Programmes

Applied for Loan under Self-Employment Schemes

Are the numbers of applicants for loan under Self-Employment Schemes the same in the two districts? It has been verified using the standard Chi-square test. It is found from the analysis that the there is not much variation in the number of loan applicants in the two districts (Table 114). Out of 100 respondents, only 38 respondents have applied for loan (20 in Kancheepuram district and 18 in Virudhunagar district). Among the loan applicants, about 90 per cent in Kancheepuram district and almost 75 per cent in Virudhunagar district respondents have applied for IRDP alone (Table 115).

Sources of Loan Information

Sources of loan information are provided in Table 116. This analysis is confined only to the non-beneficiaries, 25 of them (15 Kancheepuram district and 10 Virudhunagar district) received information from Village Panchayat Presidents. About 10 and 15 per cent of respondents have reported that they have obtained the loan particulars from PRI people and Bank officials respectively in the two study areas.
Purpose of Loan Application

In Table 117, information about purpose of loan application is given. Sixteen respondents from Kancheepuram district and 11 respondents from Viirudhunagar district applied for loan for allied activities. Number of respondents who have requested loans for agriculture, cottage industries and business purpose forms very meagre. None of the respondents in both districts made loan applications for production and other purposes.

Reasons for not Completing Formalities for Sanction of Loans

Reasons cited for not completing the formalities after making formal application for loans by the respondents are given in Table 118. Most of the non-beneficiaries from both the districts expressed their opinion that they are unable to complete their formalities in order to get their loans due to lengthy banking procedures, gratification, favouritism, negligence of the banking and PRI officials.

Involvement of Intermediaries in Processing of Loan Application

Involvement of Intermediaries by Non-beneficiary respondents to get the loans sanctioned is given in Table 120. Out of 100 respondents, only nine respondents (8 from Kancheepuram district and 1 from Virudhunagar district) informed that they tried to get loans via intermediaries. Around 54 per cent of respondents (42 per cent in Kancheepuram and 12 per cent in Virudhunagar) reported to have not approached any intermediaries for availing loan. Persons acted as intermediaries, and the bribe details are given in Tables 6.121 through 6.123.
Private Sources of loan

In Table 124, information about the respondents who have obtained loan from private sources in both districts is shown. Nearly 45 per cent of respondents from Kancheepuram district and half of the respondents from Virudhunagar district obtained loans from private agencies. The statistical test indicated that the proportion of persons borrowed money from private sources remains the same in the two districts. It is also inferred from the analysis that most of non-beneficiary respondents borrowed money from money lenders in both the districts and the amount borrowed ranged from Rs. 2000 to Rs. 12000 (Tables 6.125 and Table 126). The rate of interest for the loans appears to be reasonable in Kancheepuram district and it is exorbitant in Virudhunagar district (Table 127).

Opinion about their progress after availing private loan

The respondents’ opinion about the improvements after the loan from the private sources is indicated in Table 130. All the private loan receivers have virtually reported that there is no improvement in their field of income, profession, capital assets, land assets, basic amenities and social status.

Number of times borrowed and Outstanding Loans

Details about outstanding loans are shown in Table 131. Out of 47 respondents who have received private loan, about 29 respondents (11 person in Kancheepuram district and 18 persons in Virudhunagar district) have obtained loan for the first time; 18 respondents (11 in Kancheepuram and 7 in Virudhunagar) have received for more than one time as well as they have partially repaid the loan and the rest have got more than one time and they have settled the loan fully.
Application of Cluster Analysis on Welfare Schemes in PRIs

Introduction

Cluster Analysis is a term generally used for techniques in which 'n' objects under study are separated (or clustered) into groups (or clusters) based solely on similarities of the objects as measured from observations of p- characteristics on each object. The object of Cluster Analysis is to construct clusters in such a way that objects within the same cluster are relatively homogeneous and objects between clusters are relatively heterogeneous.

Various authors such as Gengrelli(1963), Sokal and Sneath (1963), Johnson (1967), Tryon and Baily (1970), Brain Everitt (1971), Jardine and Sibson (1971), Ladwig and Reynolds(1988) defined clusters in different ways. Some of the definitions by different authors are given below:

According to Thurstone (1947), “Cluster is a group of units with something in common to each other. A ‘Cluster’ is a group of continuous elements of a statistical population. In general, Cluster analysis begins from a Table or matrix of inter-correlation”

Some researchers like (Kendal and Stuart, 1961), used the term ‘clustering’ to group variables and the term classification to group objects. Clustering methods use similarity, or distance measures.

Similarity Measures

Similarity coefficients take values in the range zero to one. These measures are unity for objects that are alike and zero for two distinctly different objects.
The different similarity measures may have widely different values for the same set of data. Similarity Measures can be used with data containing a mixture of binary, qualitative and quantitative variables (Gower, 1971). The product moment correlation coefficient is commonly used in the measure of similarity between individuals (Zahn, 1971). Fleiss (1975) states that many of the proposed similarity measures for binary data are equivalent to the kappa coefficient introduced by Cohen (1960).

**Distance Measures**

Distance Measures normally take positive values. It can be based on a single dimension or multiple dimensions. A high value between two objects indicates low inter-individual similarity. Some of the distance measures are Euclidean distance, City-Block distance, Mahalanobis distance, Chebychev distance, and Minkowski distance.

**Clustering Techniques**

Clustering techniques are mainly categorised into hierarchical and non-hierarchical methods (Cormack, 1971; Anderberg, 1973; Brain Everitt, 1974).

**Hierarchical Techniques**

Hierarchical techniques begin with the calculation of similarities or distances of each individual to all the other individuals. It can be represented diagrammatically in the form of dendrogram or inverted tree structures. Dendrograms are two-dimensional diagram illustrating the fusion or divisions, which have been made at each successive level of the analysis. The Dendrograms can be used to assess the cohesiveness of the clusters formed and can provide information about the appropriate number of clusters to keep.
Hierarchical techniques are perhaps most suitable tool in the analysis of biological or zoological data. These techniques are divided into two parts and they are as follows; agglomerative methods and divisive method. In the former type, successive merging of objects is based on a proximity measure, which is carried out till all the objects are merged together. An important function of divisive method is to split the initial set of individuals. Now a set of ‘n’ individuals can be divided into two subsets in $2^{n-1} - 1$ ways.

The commonly used hierarchical clustering techniques are as follows;

1. Single linkage method
2. Complete linkage method
3. Average linkage method
4. Ward's linkage method

**Single linkage method**

In general, groups initially consisting of single individuals are fused according to the distance between their nearest neighbours, groups with smallest distance being fused. Each fusion decreases by one number of groups. Distance between groups is defined as distance between their closest members. This linkage is initially explained by Florek, et.al., (1951) under the title 'dendritic method'. The single linkage method is related to the minimum spanning tree, the tree of minimum length connecting the objects (Gower and Ross, 1969). McQuitty (1957) and Sneath (1957) independently introduced slightly different versions of it. This resulting cluster tends to represent long "chains" or "serpentine". This linkage is computed as;

$$d(i,j,k) = \min d(i,k), \ d(j,k)$$
Complete linkage method

In this method, the distances between clusters are determined by the greatest distance between any two objects in the different clusters (i.e., by the "furthest neighbors"). This method usually performs quite well in cases when the objects actually form naturally distinct "clumps". Baker (1974) and Hubert (1974) both produce evidence that complete linkage clustering technique is preferable to single linkage, it being less sensitive to data errors. Complete linkage method is defined as follows;

\[ d(ij,k) = \text{Max } d(ik), d(jk) \]

Average linkage method

Average linkage method computes the distance between subgroups at each step as the average of the distances between the two subgroups. Some researchers (Sokal and Michener, 1958), use this average as a measure of distance between an individual and a group of individuals. Some authors (Lance and Williams, 1966), extended it to a measure of distance between groups. This linkage is given by

\[ d(ij,k) = \frac{1}{2} [d(ik) + d(jk)] \]

Ward's method

Ward introduced this agglomerative method in the year 1963. This linkage is entirely different from other methods. It uses an analysis of variance (ANOVA) to evaluate the distances between clusters and this method helps to reduce the sum of squares (SS) of any two (hypothetical) clusters.
Non-hierarchical Clustering techniques

These techniques seek a partition of the data, which optimises some predefined numerical measure, high (or in some cases low) values of which are indicative of desirable clustering solutions. It produces joint clusters and thus works well when a given set is composed of a number of distinct classes or when the data descript is "Flat". Some of the non-hierarchical methods are mixture analysis, latent profile analysis, allocation methods, Q-mode factor analysis and K-means method.

K-means method

The most commonly used non-hierarchical clustering technique is the K-means method and Mac Queen proposes this method in the year 1967. The main advantage of the K-Means Cluster Analysis procedure is that it is much faster than the Hierarchical Cluster Analysis procedure. This method of clustering is very different from the joining method of clustering techniques and the techniques (tree clustering) and two way joining. This method groups objects on the basis of similarity or distance measured. The objects are initially partitioned into K-clusters on the basis of the sums of all the variables for each member of the data set. Generally K-means clustering techniques will produce exactly k different clusters of greatest possible distinction.

Cluster analysis for the Present Study

Various types of clustering techniques are briefly described in the previous section. We have made use of the “unweighted pair group average and complete linkage techniques” to study the role of Panchayat Raj Institutions. Cluster analysis has been applied in the current research to find out the structure or pattern of
responses attributed by the respondents for a specific topic. As already mentioned, there are 175 beneficiary respondents, and fifty non-beneficiary respondents in each of the two districts. The behaviour of these respondents have been clearly exhibited in this analysis.

An attempt is made using Cluster Analysis to group respondents based on the following various aspects covering both beneficiaries and non beneficiaries, such as n visiting Panchayat Raj Institutions, opinion about matters discussed in Gram sabha, purpose of visiting the Village Panchayats, opinion about Panchayat Raj Institution personnel, opinion about Panchayat Raj Institutions, awareness of different rural development programmes, Problems of Infrastructure Development, availability of information from various persons, difficulties in availing self-employment loan, reason for non-repayment of loan, and finally various improvements after availing the self-employment scheme loan.

Results and discussions for Cluster Analysis Beneficiaries

Visiting Panchayati Raj Institutions

It is of interest to find out that the beneficiary respondents generally visit to Panchayat Raj Institutions in both the districts. The answers obtained from these respondents are subjected to cluster analytic techniques and the responses are explained in the form of dendrogram (Figure 6.1.). Number of respondents who said ‘yes’ or ‘no’ for a question, and their percentages are given in Table 132.
Figure 6.1
Participation in Panchayati Raj Institutions

Table 132a
Participation in Panchayati Raj Institutions

<table>
<thead>
<tr>
<th>District</th>
<th>Cls. no.</th>
<th>Variables</th>
<th>Yes Ranges</th>
<th>No Ranges</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kanc.</td>
<td>3</td>
<td>Others</td>
<td>3</td>
<td>97</td>
</tr>
<tr>
<td></td>
<td>2</td>
<td>Panchayat Union &amp; DRDA</td>
<td>27-47</td>
<td>53-73</td>
</tr>
<tr>
<td></td>
<td>1</td>
<td>Gram Sabha &amp; Village Panchayat</td>
<td>69-82</td>
<td>18-31</td>
</tr>
<tr>
<td>Viru.</td>
<td>3</td>
<td>Others</td>
<td>1</td>
<td>99</td>
</tr>
<tr>
<td></td>
<td>2</td>
<td>Panchayat Union and DRDA</td>
<td>46-55</td>
<td>45-54</td>
</tr>
<tr>
<td></td>
<td>1</td>
<td>Gram Sabha &amp; Village Panchayat</td>
<td>60-77</td>
<td>23-40</td>
</tr>
</tbody>
</table>

From the analysis, it is concluded that most of the respondents visit Gram Sabha and Village Panchayat – 60 per cent of the respondents in Virudhunagar district and 69 per cent in Kancheepuram district visited Gram Sabha; 77 per cent of the respondents from Virudhunagar and 82 per cent from Kancheepuram district visited Village Panchayat. Panchayat Union (27% in Kancheepuram and 46% in Virudhunagar) and District Rural Development Agency (47% from Kancheepuram and 55% from Virudhunagar) is another two places the respondents visit. The same pattern is prevalent in the two districts.
Matters discussed in Gram Sabha meeting

The following table and figure provide information with regard to opinion of the respondents about the matters discussed in Gram Sabha meetings.

**Figure 6.2**

Matters discussed in Gram Sabha meeting

**Table 133**
Matters discussed in Gram Sabha meeting

<table>
<thead>
<tr>
<th>Dist.</th>
<th>Cls. No.</th>
<th>Variables</th>
<th>Yes Ranges</th>
<th>No Ranges</th>
<th>Don’t Know Ranges</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kanche</td>
<td>1.</td>
<td>Identification of Beneficiaries &amp; Basic Facilities</td>
<td>63-71</td>
<td>2-10</td>
<td>27</td>
</tr>
<tr>
<td></td>
<td>2.</td>
<td>Village Conflicts &amp; Other matters</td>
<td>4-12</td>
<td>61-69</td>
<td>27</td>
</tr>
<tr>
<td>Viru</td>
<td>1.</td>
<td>Basic Facilities</td>
<td>69</td>
<td>1</td>
<td>30</td>
</tr>
<tr>
<td></td>
<td>2.</td>
<td>Identification of Beneficiaries</td>
<td>17</td>
<td>53</td>
<td>30</td>
</tr>
<tr>
<td></td>
<td>3.</td>
<td>Village conflicts &amp; Other matters</td>
<td>1-7</td>
<td>63-69</td>
<td>30</td>
</tr>
</tbody>
</table>

There are basically two clusters prevalent in Kancheepuram district on the subject, 'matters generally discussed in Gram Sabha meetings'. According to the opinion of the respondents, the first group of matters discussed in these meetings were basic facilities and identification of beneficiaries. The second group comprises of topics, village conflicts and other minor matters.
There are three clusters in Virudhunagar district. The first cluster comprises of the topic, Basic facilities; the second cluster includes the topic, village conflicts, and the third cluster has ‘other minor matters’ as topics generally discussed in the Gram Sabha meetings in Virudhunagar district.

**Purpose for visiting Village Panchayats**

Dendrograms obtained through cluster analysis for the two districts are given in figure 6.3. The aspects considered in the analysis are the reasons for beneficiary respondents, to visit Village Panchayats. Summary statistics are provided in Table.

*Figure 6.3*

**Purpose for visiting Village Panchayats**

![Dendrograms for Districts Kancheepuram and Virudhunagar](image)

*Table 133a*

**Purpose for visiting Village Panchayats**

<table>
<thead>
<tr>
<th>Dis.</th>
<th>Cls No.</th>
<th>Variables</th>
<th>Yes Ranges</th>
<th>No Ranges</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kane</td>
<td>1.</td>
<td>Basic Facilities</td>
<td>63</td>
<td>37</td>
</tr>
<tr>
<td></td>
<td>2.</td>
<td>Other reasons &amp; Get some Certificates</td>
<td>6-31</td>
<td>69-94</td>
</tr>
<tr>
<td></td>
<td>3.</td>
<td>To get loan information</td>
<td>77</td>
<td>23</td>
</tr>
<tr>
<td>Viru</td>
<td>1.</td>
<td>Basic Facilities</td>
<td>62</td>
<td>38</td>
</tr>
<tr>
<td></td>
<td>2.</td>
<td>Other reasons &amp; Get some Certificates</td>
<td>4-26</td>
<td>74-96</td>
</tr>
<tr>
<td></td>
<td>3.</td>
<td>To get loan information</td>
<td>46</td>
<td>54</td>
</tr>
</tbody>
</table>
Cluster analysis clearly indicates that there are three groups of purposes in each of the two districts. It can be concluded from the above analysis that most of respondents in the two districts have commonly gone to avail the basic facilities and loan details from Village Panchayats. Majority of beneficiary respondents has not visited the Panchayat Raj Institution for merely obtaining certificates or for other purposes.

**Opinion about Panchayat Raj Institution Personnel**

An attempt has been made to find out the group of respondents’ assessment on Panchayat Raj Institution Personnel in the two districts and cluster analytic methods have been applied. The dendrogram are given in figure 6.4 and its summary of statistics is given in Table 134.

**Figure 6.4**

**Opinion about Panchayat Raj Institution Persons**
### Table 134

**Opinion about Panchayat Raj Institution Persons**

<table>
<thead>
<tr>
<th>Dis.</th>
<th>Cls No.</th>
<th>Variables</th>
<th>Good Ranges</th>
<th>Average Ranges</th>
<th>Bad Ranges</th>
<th>No op. Ranges</th>
<th>Don't Know Ranges</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kanc</td>
<td>1.</td>
<td>Other persons</td>
<td>10</td>
<td>19</td>
<td>10</td>
<td>28</td>
<td>33</td>
</tr>
<tr>
<td></td>
<td>2.</td>
<td>Officials</td>
<td>45</td>
<td>17</td>
<td>17</td>
<td>17</td>
<td>4</td>
</tr>
<tr>
<td></td>
<td>3.</td>
<td>Ward Members &amp; Village Panchayat Presidents</td>
<td>52-65</td>
<td>8-15</td>
<td>19-22</td>
<td>4-6</td>
<td>4-5</td>
</tr>
<tr>
<td>Viru</td>
<td>1.</td>
<td>Officials</td>
<td>65</td>
<td>8</td>
<td>24</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td>2.</td>
<td>Ward Members &amp; Other persons</td>
<td>55-60</td>
<td>11-19</td>
<td>22-25</td>
<td>1</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td>3.</td>
<td>Village Presidents</td>
<td>65</td>
<td>7</td>
<td>25</td>
<td>1</td>
<td>2</td>
</tr>
</tbody>
</table>

According to a group of respondents in Kancheepuram district, In Kancheepuram district Cluster number one and two explains that most of beneficiaries are not rendering service from Officials and other persons. About 52 to 65 per cent of respondents thought that Politicians (Ward members and Village Panchayat Presidents) are servicing effectively in that rural area (Cluster III).

A close examination of the dendrogram and the Table yields different picture in Virudhunagar district. Sixty-five per cent respondents are getting good services from Panchayati Raj Institution officials. There are 55 to 60 per cent of respondents who have acknowledged that ward member and other persons are rendering good services for the rural community (Cluster II). About 25 per cent of respondents have reported that Village panchayat Presidents are not functioning well for rural development (Cluster III).

In both the districts respondents have reported that all Panchayat Raj Institution personnel are servicing well except and other persons in Kancheepuram district.
Opinion about Panchayat Raj Institutions

It is of interest to understand the view about Panchayat Raj Institutions in the two districts. The answers collected from the beneficiary respondents have been subjected to cluster analysis techniques and their responses have been explained in the form of dendrogram for the two districts (figure 6.5). Number of recipients who said ‘good’, ‘average’, ‘bad’ or ‘no opinion’ to a query, and their responses have been summed up and in Table 135.

Figure 6.5

Opinion about Panchayat Raj Institutions

![Dendrogram](image)

Table 135

Opinion about Panchayati Raj Institutions

<table>
<thead>
<tr>
<th>Dis.</th>
<th>Cls No.</th>
<th>Variables</th>
<th>GR</th>
<th>AR</th>
<th>BR</th>
<th>NR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kanc</td>
<td>1</td>
<td>No Castism, No relatives influence, No Corruption &amp; Good Administation</td>
<td>62-66</td>
<td>21 - 26</td>
<td>6 - 7</td>
<td>6</td>
</tr>
<tr>
<td></td>
<td>2</td>
<td>Others</td>
<td>16</td>
<td>28</td>
<td>9</td>
<td>47</td>
</tr>
<tr>
<td>Viru</td>
<td>1</td>
<td>Others &amp; No relative influence</td>
<td>65-71</td>
<td>24-30</td>
<td>2</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td>2</td>
<td>No Castism</td>
<td>69</td>
<td>28</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td>3</td>
<td>No Corruption &amp; Good Administration</td>
<td>68-70</td>
<td>26-28</td>
<td>2</td>
<td>2</td>
</tr>
</tbody>
</table>
GR represents ‘Good ranges’, AR represents ‘Average ranges’, BR represents ‘Bad ranges’, NR represents ‘No opinion ranges’

In Kancheepuram district, there are two clusters – Majority of respondents (62 to 66 per cent) have said that they are satisfied on Panchayat Raj Institutions on the following aspects – administrative aspects, No corruption, Social groupism and no inference of political/official relatives (Group – I). In second cluster, nearly 50 per cent of beneficiary respondents do not know about other aspects of this institution (Cluster III).

In Virudhunagar district, there are three clusters – Panchayati Raj Institutions: Good in following reasons – No inference of political/official relatives and other aspects in this study area (Cluster I). Panchayati Raj Institutions: Good in following reasons - No social groupism (Cluster II). Panchayati Raj Institutions: Good in following reasons – Administrative aspects & No Corruption.

Most of the beneficiary respondents in both the districts felt that Panchayat Raj Institutions are good in all aspects except in Kancheepuram district people did not give any opinion about Other aspects.

Laps in Infrastructure developments

Dendrogram obtained through cluster analysis for the two study areas are given in figure 6.2.1.7. The aspect considered for analysis is lapse in infrastructure developments and their responses have been summed up and in Table 2.1.7.
Cluster analysis clearly indicates that there are three groups in Kancheepuram district and two groups in Virudhunagar district. A close examination of the summary statistics indicates the following:

**Kancheepuram District:**

Cluster No.1. *There is no problem in other aspects.*

Cluster No.2. *Moderate Corruption.*

Cluster No.3. *Moderate available of funds and administration.*

**Virudhunagar District:**

Cluster No.1. *There is no problem in other aspects and no funding problem.*

Cluster No.2. *Moderate administration and corruption.*
Hence it can be concluded that 31 per cent of respondents quoted corruption as a problem. About 15 per cent mentioned funding problem and 25 per cent of the respondents reported administrative problems.

Sources of information

People generally gather some information about availing loans from various sources prior to utilising the self-employment loan services. The beneficiary respondents in the two study areas were asked to part with details regarding information of loan.

An attempt is made to group the different sources mentioned by the beneficiaries providing loan details. The respective dendrogram are given in figure 6.7. The responses are provided in summary form in Table 137.

Figure 6.7
Sources of information
<table>
<thead>
<tr>
<th>District</th>
<th>Cluster No.</th>
<th>Variables</th>
<th>Yes Ranges</th>
<th>No Ranges</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kancheepuram</td>
<td>1.</td>
<td>Non-Governmental Organisations</td>
<td>38</td>
<td>62</td>
</tr>
<tr>
<td></td>
<td>2.</td>
<td>Panchayati Raj Institution &amp; Bank Officials</td>
<td>32-33</td>
<td>67-68</td>
</tr>
<tr>
<td></td>
<td>3.</td>
<td>Ward Members &amp; Other Persons</td>
<td>7-16</td>
<td>84-93</td>
</tr>
<tr>
<td></td>
<td>4.</td>
<td>Village Panchayat Presidents</td>
<td>55</td>
<td>45</td>
</tr>
<tr>
<td>Virudhunagar</td>
<td>1.</td>
<td>Non-Governmental Organisations</td>
<td>45</td>
<td>55</td>
</tr>
<tr>
<td></td>
<td>2.</td>
<td>Other Persons</td>
<td>23</td>
<td>77</td>
</tr>
<tr>
<td></td>
<td>3.</td>
<td>Bank Officials</td>
<td>21</td>
<td>79</td>
</tr>
<tr>
<td></td>
<td>4.</td>
<td>Panchayati Raj Institution Officials &amp; Ward Members</td>
<td>11-14</td>
<td>86-89</td>
</tr>
<tr>
<td></td>
<td>5.</td>
<td>Village Panchayat Presidents</td>
<td>31</td>
<td>69</td>
</tr>
</tbody>
</table>

In Kancheepuram district, most of respondents have not obtained loan information through Non-Governmental Organisations (Cluster I). In cluster number two explains that respondents have not availed Panchayati Raj Institutions and Bank bureaucrats. About 85 to 93 per cent of respondents have not obtained details loan regarding from Ward members and other persons (Cluster III). Fifty-five per cent of beneficiaries have met the village panchayats for receiving information about self-employment loan.

As far as Virudhunagar district, forty-five per cent of respondents seem to have availed information from Non-Governmental Organisations (Cluster I). Nearly 25 per cent (23 per cent) of beneficiaries have mentioned other persons as a source of providing loan details (Cluster II). Bank officials have been mentioned by 21 per cent of the respondents (Cluster III). Ward members and Panchayati Raj Institutions officials also have been the information providers as quoted by little more than 10 per cent to little less than 15 per cent of the respondents. About 31 per cent of the beneficiaries have referred to Village Panchayat Presidents as loan particular providers (Cluster IV).
It can be concluded from the above analysis that Village Panchayat Presidents and Non-Government Organisations have acted as the main information providers as compared to other different sources (Panchayati Raj Institution and Banking Bureaucrats, Ward Members, and Other Persons) for obtaining loans in both the districts.

Difficulties in Self-Employment schemes

What have been the various difficulties that have been faced by the beneficiary respondents in the two districts who have been benefited by self-employment loans? To group the various difficulties mentioned by beneficiaries cluster analysis technique has been adopted. Dendrogram obtained in the analysis have been presented as in figure 6.8. Summary statistics has been presented in Table 138.

Figure 6.8

Difficulties in Self-Employment schemes
Table 138

Difficulties in Self-Employment schemes

<table>
<thead>
<tr>
<th>Dis.</th>
<th>Cls No.</th>
<th>Variables</th>
<th>Yes Ranges</th>
<th>No Ranges</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1.</td>
<td>Uninforma by banking/Panchayati Raj Institution Officials &amp; Lengthy Banking Procedure</td>
<td>69-87</td>
<td>13-31</td>
</tr>
<tr>
<td>Kan</td>
<td>2.</td>
<td>Inadequate knowledge</td>
<td>34</td>
<td>66</td>
</tr>
<tr>
<td></td>
<td>3.</td>
<td>More castism &amp; Other problems</td>
<td>3-22</td>
<td>78-97</td>
</tr>
<tr>
<td></td>
<td>4.</td>
<td>More corruption</td>
<td>51</td>
<td>49</td>
</tr>
<tr>
<td></td>
<td>1.</td>
<td>Uninforma by banking/Panchayati Raj Institution Officials &amp; Lengthy Banking Procedure</td>
<td>49-69</td>
<td>31-51</td>
</tr>
<tr>
<td>Vir</td>
<td>2.</td>
<td>Other problems</td>
<td>21</td>
<td>79</td>
</tr>
<tr>
<td></td>
<td>3.</td>
<td>Inadequate knowledge &amp; More Castism</td>
<td>4-9</td>
<td>91-96</td>
</tr>
<tr>
<td></td>
<td>4.</td>
<td>More corruption</td>
<td>79</td>
<td>21</td>
</tr>
</tbody>
</table>

In Kancheepuram district, most of beneficiary respondents felt that 'Procedural' and 'loan implementing authorities did not provide necessary information' were the common problems in the time of obtaining the self-employment loan (Cluster I). Considerable percentage of respondents (34 per cent) accepted that they had not inadequate knowledge about self-employment loan details (Cluster II). About 3 to 22 per cent of respondents criticised that social groupism and other type of problems affected them (Cluster III). However a vast majority of respondents (80 per cent) attributed corruption as major difficulty in obtaining self-employment loan.

Four groups emerge from the cluster analysis at Virudhunagar district. Nearly 50 to 70 per cent of respondents have mentioned cumbersome banking procedures and lack of prompt supply of information by banking as well as Panchayati Raj Officials as difficulty faced by them in obtaining self-employment loan (Cluster I). Other problems have been mentioned by 21 per cent of beneficiaries (Cluster II). Less than ten per cent of respondents have claimed their
inadequate knowledge in this regard and castism as difficulty faced by them in availing self-employment loans (Cluster III).

In Virudhunagar district, about 20 per cent of respondents reported that they are affected by castism and they do not have adequate knowledge about this scheme as well as other type of problems also. Little more than half of respondents (52) said that it is difficult to understand the banking procedures in this district. Almost two – fifth of beneficiaries expressed that implementing agencies do not give proper information to rural folks. ‘Corruption’ is the common obstacle in the time of availing the loan. However a vast majority of the respondents (80 per cent) attributed corruption as a major difficulty in obtaining self-employment loan.

Hence it can be concluded that administrative problem (corruption, officials do not provide necessary information) and procedural problem (lengthy banking procedure) emerges as major difficulties faced by the beneficiaries in obtaining self-employment loans.

Reasons for non-repayment of loan

Dendrograms obtained through cluster analysis for the two districts are given in figure 6.9. The aspect considered for analysis is reasons for not repaying the loan. The responses are provided in summary form in Table 139.

Figure 6.9
Reasons for non-repayment of loan
### Table 139

**Reasons for non-repayment of loan**

<table>
<thead>
<tr>
<th>DisN</th>
<th>Cls. No.</th>
<th>Variables</th>
<th>Yes Ranges</th>
<th>No Ranges</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kanc</td>
<td>1.</td>
<td>Religious/Family function &amp; Routine family Expenditure</td>
<td>51-79</td>
<td>21-49</td>
</tr>
<tr>
<td></td>
<td>2.</td>
<td>To pay loan &amp; Other reasons</td>
<td>18-49</td>
<td>51-82</td>
</tr>
<tr>
<td>Viru</td>
<td>1.</td>
<td>Other reasons</td>
<td>41</td>
<td>59</td>
</tr>
<tr>
<td></td>
<td>2.</td>
<td>Religious / Family functions</td>
<td>45</td>
<td>55</td>
</tr>
<tr>
<td></td>
<td>3.</td>
<td>To pay old loan &amp; Routine family expenditure</td>
<td>45-50</td>
<td>50-55</td>
</tr>
</tbody>
</table>

It is found from the above analysis that in Kancheepuram district, there are three groups — about one — tenth to one — fourth of respondents have not repaid the loan because they spent the loan amount to repay the old loan and for some other reasons also. Most of the respondents (82 per cent) are not refunded the loan because it is diverted to their consumption expenditure. Nearly one — third of beneficiaries used the loan amount for spiritual / family functions.

Cluster analysis clearly indicates that there are two groups in Kancheepuram district and three groups in Virudhunagar district. A close examination of the summary indicates the following:

**Kancheepuram district:**

1. Loan amount mostly spent on functions and festivals, and family expenditure
2. Loan mostly not spent to pay old loan & Other reasons
Virudhunagar district:

1. Loan amount moderately spent for Other reasons
2. Loan amount moderately spent for functions and festivals
3. Loan amount moderately spent to pay old loan & Routine family expenditure

It is interesting to note that 45 to 79 per cent of respondents have not repaid the loan amount and they are spent for religious/family function, family expenditure and repay the old loans. Respondents have also quoted others as a reason for not repaying the loan amount, there is a significant difference between the two districts (18 per cent from Kancheepuram district and 40 per cent from Virudhunagar district).

Improvements in life after availing the loan

It is of great interest to know the improvements that that has come in the lives of the beneficiaries of the two-study area post availing the loan. The various improvements mentioned by the beneficiaries have been subjected to cluster analysis technique and there by the responses have been presented in the form of dendrogram for the two districts in figure 6.10. The ratios improvements mentioned by the respondents and their respective percentages are given in Table 140.
Figure 6.10
Improvements in life after availing the loan

Table 140
Improvements in life after availing the loan

<table>
<thead>
<tr>
<th>Dis.</th>
<th>Cls No.</th>
<th>Variables</th>
<th>Yes Ranges</th>
<th>No Ranges</th>
<th>YNA Ranges</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kane</td>
<td>1</td>
<td>Social Status</td>
<td>44</td>
<td>51</td>
<td>5</td>
</tr>
<tr>
<td></td>
<td>2</td>
<td>Land Size &amp; Others</td>
<td>2-6</td>
<td>55-59</td>
<td>39</td>
</tr>
<tr>
<td></td>
<td>3</td>
<td>Technical Equipment</td>
<td>8</td>
<td>53</td>
<td>39</td>
</tr>
<tr>
<td></td>
<td>4</td>
<td>Basic Facilities</td>
<td>14</td>
<td>47</td>
<td>39</td>
</tr>
<tr>
<td></td>
<td>5</td>
<td>Profession &amp; Family income</td>
<td>24</td>
<td>37</td>
<td>39</td>
</tr>
<tr>
<td>Viru</td>
<td>1</td>
<td>Social Status</td>
<td>36</td>
<td>59</td>
<td>5</td>
</tr>
<tr>
<td></td>
<td>2</td>
<td>Land Size &amp; Technical Equipment</td>
<td>3</td>
<td>70</td>
<td>27</td>
</tr>
<tr>
<td></td>
<td>3</td>
<td>Basic Facilities &amp; Others</td>
<td>14-15</td>
<td>58-59</td>
<td>27</td>
</tr>
<tr>
<td></td>
<td>4</td>
<td>Profession &amp; Family Income</td>
<td>27</td>
<td>46</td>
<td>27</td>
</tr>
</tbody>
</table>

It can be concluded from the above analysis that social status improvement has acted as the main improvement as compared to other improvements like family income, technical equipment, basic facilities, own profession, and land size.
Non - Beneficiaries

Visit / Non-visit to Panchayat Raj Institutions

What are the places the non-beneficiaries in the two districts normally visit? To find out-groups of places, the non-beneficiaries generally visit, cluster analytic techniques have been used. Dendrogram obtained in the analyses are given as figure 6.11. Summary statistics are presented in Table 141.

Figure 6.11

Visit / Non-visit to Panchayat Raj Institutions

![Dendrogram for Kancheepuram and Villupuram districts]

Table 141

Visit / Non-visit to Panchayat Raj Institutions

<table>
<thead>
<tr>
<th>Dis.</th>
<th>Cls No.</th>
<th>Variables</th>
<th>Yes Ranges</th>
<th>No Ranges</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kan</td>
<td>1.</td>
<td>Others</td>
<td>0</td>
<td>100</td>
</tr>
<tr>
<td></td>
<td>2.</td>
<td>Panchayat Union &amp; DRDA</td>
<td>14-24</td>
<td>76-86</td>
</tr>
<tr>
<td></td>
<td>3.</td>
<td>Gram Sabha &amp; Village Panchayat</td>
<td>44-70</td>
<td>30-56</td>
</tr>
<tr>
<td>Vnu</td>
<td>1.</td>
<td>Others</td>
<td>8</td>
<td>92</td>
</tr>
<tr>
<td></td>
<td>2.</td>
<td>Panchayat Union and DRDA</td>
<td>26-30</td>
<td>70-74</td>
</tr>
<tr>
<td></td>
<td>3.</td>
<td>Gram Sabha &amp; Village Panchayat</td>
<td>36-60</td>
<td>40-64</td>
</tr>
</tbody>
</table>

It is found from the analysis that in Kancheepuram, there emerges three groups - rare visit to Other Panchayati Raj Institutions (Group - I); Occasional visits to Panchayat Union and District Rural Development Agency (Group - II);
Most of the respondents visit go to Village Panchayat and Gram Sabha meeting (Group – III).

In Virudhunagar district, about 26-30 per cent of respondents visit Panchayat Union and DRDA (Group - II); nearly one-fifth of respondents attend Gram Sabha meetings (Group – III). In first group, only eight per cent of respondents visit Other Panchayat Raj Institutions in this district.

It is concluded from the analysis that majority of respondents’ frequently visit Village Panchayat and Gram Sabha in both the districts. Non-beneficiary respondents’ occasionally go to Panchayat Union and DRDA and that people rarely go to Other Panchayat Raj Institutions in these districts.

Matters discussed in Gram Sabha

It is of interest to know the matters often discussed in Gram Sabha in the two districts. The answers obtained from the respondents (Non-beneficiaries) are subjected to cluster analysis and the responses are depicted in the form of dendrogram for the two districts (Figure 6.12). Number of respondents who said ‘yes’, ‘no’ or ‘don’t know’ in to a query, and their percentages are given in Table 142.

Figure 6.12
Matters discussed in Gram Sabha
Table 142
Matters discussed in Gram Sabha

<table>
<thead>
<tr>
<th>Variable</th>
<th>Yes Ranges</th>
<th>No Ranges</th>
<th>Don't Know Ranges</th>
</tr>
</thead>
<tbody>
<tr>
<td>Basic Facilities</td>
<td>70</td>
<td>2</td>
<td>28</td>
</tr>
<tr>
<td>Identification of Beneficiaries</td>
<td>26</td>
<td>46</td>
<td>28</td>
</tr>
<tr>
<td>Village Conflicts &amp; Other Matters</td>
<td>4-16</td>
<td>56-68</td>
<td>28</td>
</tr>
<tr>
<td>Basic Facilities</td>
<td>58</td>
<td>0</td>
<td>42</td>
</tr>
<tr>
<td>Other Matters</td>
<td>20</td>
<td>38</td>
<td>42</td>
</tr>
<tr>
<td>Identification of Beneficiaries &amp; Village Conflicts</td>
<td>2-4</td>
<td>54-56</td>
<td>42</td>
</tr>
</tbody>
</table>

According to one of the groups of respondents of Kancheepuram district, ‘Discussing about basic facilities’ is the common topics discussed in the Gram Sabha meeting (Cluster I). Majority of the respondents in this district complain that ‘matters like identification of beneficiaries’, ‘village conflicts’ and ‘other matters pertaining to their village and people’ are very rarely discussed in Gram Sabha meetings (Cluster II & III). The same trend is seen in Virudhunagar district also.

It can be inferred that about 58-70 per cent in two districts agrees that basic facilities for the village is the main topic generally discussed in the Gram Sabha meetings. They also feel that ‘village conflicts’, ‘identification of beneficiaries’ and other matters are very rarely consulted in these meetings.

Purpose for visiting Village Panchayats

People generally visit Village Panchayats to get some information about the loans available, to get some certificate, to demand for some basic facilities in their place of living, or for other purposes. The non-beneficiaries in the two districts were asked to provide detailed with regard to the purpose of their visit to Village Panchayats. An attempt is made to cluster the purpose for which the non-beneficiaries visit Village Panchayats in the two districts. The dendrograms are
given as figure 6.13 and the responses were given in the summary form in Table 143.

Figure 6.13
Purpose for visiting Village Panchayats

Table 143
Purpose for visiting Village Panchayats

<table>
<thead>
<tr>
<th>Dis.</th>
<th>Cls. No.</th>
<th>Variables</th>
<th>Yes Ranges</th>
<th>No Ranges</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kanc</td>
<td>1</td>
<td>Get Certificates &amp; Other Reasons</td>
<td>14 - 46</td>
<td>54 - 86</td>
</tr>
<tr>
<td></td>
<td>2</td>
<td>Loan Information &amp; Basic Facilities</td>
<td>37 - 57</td>
<td>43 - 63</td>
</tr>
<tr>
<td>Viru</td>
<td>1</td>
<td>Get Certificates &amp; Basic Facilities</td>
<td>56 - 70</td>
<td>30 - 44</td>
</tr>
<tr>
<td></td>
<td>2</td>
<td>Loan Information &amp; Other Reasons</td>
<td>10 - 23</td>
<td>77 - 90</td>
</tr>
</tbody>
</table>

About 14 to 46 per cent visit Village panchayats to get some certificates and other purposes (Cluster I). Nearly 37 and 57 per cent of non-recipients in Kancheepuram district visit this place to know about loan details and demand for some basic facility (Group - II).

In Virudhunagar district, about 56 to 70 per cent visit Village Panchayats to demand for basic facility and get some certificates (Group - I). Ten per cent to twenty-three per cent visit this place to know about loan details and other purposes (Cluster II).

Most of the respondents in the two districts demand for basic facility (57 to 70 per cent). They visit Village Panchayats to get some certificate (46 – 57 per
cent) and about 10 to 37 per cent go to Village Panchayats to know about loan details or for other purposes.

Opinion about Panchayat Raj Institution persons

Dendrogram obtained through cluster analysis for the two districts are given in figure 6.14. The aspect considered for analysis is opinion about Panchayati Raj Institution personnel. Summary statistics are provided in Table 144.

Figure 6.14
Opinion about Panchayat Raj Institution persons

Table 144
Opinion about Panchayat Raj Institution persons

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Kanc</td>
<td>1.</td>
<td>Officials &amp; Other Persons</td>
<td>28-36</td>
<td>24-26</td>
<td>20</td>
<td>10-20</td>
<td>8</td>
</tr>
<tr>
<td></td>
<td>2.</td>
<td>Ward Members</td>
<td>36</td>
<td>24</td>
<td>28</td>
<td>4</td>
<td>8</td>
</tr>
<tr>
<td></td>
<td>3.</td>
<td>Village Panchayat Presidents</td>
<td>56</td>
<td>20</td>
<td>18</td>
<td>2</td>
<td>4</td>
</tr>
<tr>
<td>Viru</td>
<td>1.</td>
<td>Officials</td>
<td>46</td>
<td>12</td>
<td>38</td>
<td>4</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>2.</td>
<td>Ward Members &amp; Other Persons</td>
<td>40-42</td>
<td>14-16</td>
<td>38-40</td>
<td>4-6</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>3.</td>
<td>Village Panchayat Presidents</td>
<td>46</td>
<td>18</td>
<td>32</td>
<td>4</td>
<td>-</td>
</tr>
</tbody>
</table>

Cluster analysis clearly indicates that there are three groups each in Kancheepuram and Virudhunagar districts. It can be concluded from the above
analysis that Panchayati Raj Institutions Officials and Village Panchayat Presidents are held in good esteem as compared to ward members and other persons in both the districts.

Opinion about Panchayat Raj Institutions

Dendrograms obtained through cluster analysis for the two districts are given in figure 6.15. The aspects considered for the analysis is 'opinion about Panchayat Raj Institutions' in the two districts and its summary statistics are given in Table 145.

Figure 6.15
Opinion about Panchayat Raj Institutions

![Dendrograms](image)

Table 145
Opinion about Panchayat Raj Institutions

<table>
<thead>
<tr>
<th>Dis.</th>
<th>Cls No.</th>
<th>Variables</th>
<th>Yes Ranges</th>
<th>No Ranges</th>
<th>No op. Ranges</th>
<th>Don’t Know Ranges</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kanc</td>
<td>1.</td>
<td>Other reasons</td>
<td>20</td>
<td>28</td>
<td>22</td>
<td>10</td>
</tr>
<tr>
<td></td>
<td>2.</td>
<td>No inference by relatives</td>
<td>58</td>
<td>28</td>
<td>4</td>
<td>10</td>
</tr>
<tr>
<td></td>
<td>3.</td>
<td>No castism</td>
<td>66</td>
<td>18</td>
<td>6</td>
<td>10</td>
</tr>
<tr>
<td></td>
<td>4.</td>
<td>No corruption &amp; Good Administration</td>
<td>50-54</td>
<td>28-34</td>
<td>6-8</td>
<td>10</td>
</tr>
<tr>
<td>Viru</td>
<td>1.</td>
<td>No inference by relatives &amp; Other reasons</td>
<td>44-48</td>
<td>42-50</td>
<td>4-8</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td>2.</td>
<td>No Castism</td>
<td>50</td>
<td>42</td>
<td>6</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td>3.</td>
<td>No Corruption &amp; Good Administration</td>
<td>58</td>
<td>34-38</td>
<td>2-6</td>
<td>2</td>
</tr>
</tbody>
</table>
The above analysis exhibits four groups in Kancheepuram district and three in Virudhunagar district. A close examination of the summary statistics indicates the following:

Kancheepuram district:

Cluster No. 1. Other reasons
Cluster No. 2. No inference by relatives
Cluster No. 3. No Castism
Cluster No. 4. No Corruption & Good Administration

Virudhunagar district:

Cluster No.1. Others & No inference by relatives
Cluster No.2. No Castism
Cluster No.3. No Corruption & Good Administration

It is interesting to note that almost majority of the respondents in both the districts felt that there is no castism, corruption, and inference by relatives and they are of the opinion that there exists good administrative in Panchayati Raj Institutions of both the districts.

Difficulties in infrastructure development schemes

What are the problems encountered while implementing infrastructure development schemes in the two districts, to identify groups of snags, the non-beneficiaries generally feel and cluster analysis has been utilised. The dendrogram are given as figure 6.16 and responses were presented in the summary form in Table 146.
Figure 6.16

Difficulties in infrastructure development schemes

Table 146

Difficulties in infrastructure development schemes

<table>
<thead>
<tr>
<th>Dist.</th>
<th>Cls No.</th>
<th>Variables</th>
<th>Yes Ranges</th>
<th>No Ranges</th>
<th>Don't Know Ranges</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kane</td>
<td>1.</td>
<td>Other reasons</td>
<td>12</td>
<td>48</td>
<td>40</td>
</tr>
<tr>
<td></td>
<td>2.</td>
<td>Lack of Funds</td>
<td>14</td>
<td>48</td>
<td>38</td>
</tr>
<tr>
<td></td>
<td>3.</td>
<td>Corruption &amp; Poor Administration</td>
<td>22-26</td>
<td>40-42</td>
<td>34-36</td>
</tr>
<tr>
<td>Viru</td>
<td>1.</td>
<td>Other reasons &amp; Lack of Funds</td>
<td>8-10</td>
<td>68-66</td>
<td>24</td>
</tr>
<tr>
<td></td>
<td>2.</td>
<td>Corruption &amp; Poor Administration</td>
<td>32-34</td>
<td>44-42</td>
<td>24</td>
</tr>
</tbody>
</table>

Nearly 50 to 70 per cent of respondents in the two districts felt that Panchayati Raj Institutions have adequate funds at the time of implementing the infrastructural developments and these institutions do not have other problem. About 22 to 34 per cent of non-beneficiaries have expressed that there is no ‘administrative problems’ and ‘corruption problems’ in both the districts.

Reasons for not availing Self Employment Scheme loan (Among those who have applied)

It is great interest to know the reasons for not availing the loans among those who have applied for the same in both the districts. The responses rendered by the respondents have been subjected to cluster analysis technique and have been
depicted in the form of dendrograms (figure 6.17) and their respective percentages have been given in Table 147.

Table 6.17
Reasons for not availing self employment Scheme loan

![Dendrograms for different districts]

Table 147
Reasons for not availing Self Employment Scheme loan

<table>
<thead>
<tr>
<th>DisN</th>
<th>Cls. No.</th>
<th>Variables</th>
<th>Yes Ranges</th>
<th>No Ranges</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kancheepuram</td>
<td>1.</td>
<td>Other reasons &amp; Sanctioned Amount Small</td>
<td>25</td>
<td>75</td>
</tr>
<tr>
<td></td>
<td>2.</td>
<td>Sanctioned loan for particular person &amp; Illegal gratification</td>
<td>75-85</td>
<td>15-25</td>
</tr>
<tr>
<td></td>
<td>3.</td>
<td>Uninformation action by PRI/Bank Officials &amp; Lengthy Banking Procedure</td>
<td>85-90</td>
<td>10-15</td>
</tr>
<tr>
<td>Virudhunagar</td>
<td>1.</td>
<td>Illegal gratification &amp; Sanctioned loan for particular person</td>
<td>83-94</td>
<td>6-17</td>
</tr>
<tr>
<td></td>
<td>2.</td>
<td>Uninformation action by PRI/Bank Officials</td>
<td>67</td>
<td>33</td>
</tr>
<tr>
<td></td>
<td>3.</td>
<td>Other reasons</td>
<td>33</td>
<td>67</td>
</tr>
<tr>
<td></td>
<td>4.</td>
<td>Sanctioned Amount Small &amp; Lengthy Banking Procedure</td>
<td>25-44</td>
<td>56-75</td>
</tr>
</tbody>
</table>

It is found from the analysis that in Kancheepuram, there are three groups - Funding problem - no funding problem at all (Cluster I). Administrative problems - corruption and favouritism (Cluster II). Most of the respondents have the opinion that the procedural problems - lengthy procedure, officials/politicians do not provide necessary information (Cluster III). Whereas in Virudhunagar district, a vast majority of them have felt that there exists favouritism and corruption (Cluster
Lack of prompt information regarding loan details also features as one of the significant reasons mentioned by respondents (Cluster II). About 75 per cent of respondents affected other problems (Cluster III). Funding and procedural problems are faced by 25 to 44 per cent of respondents in this district.

It can be concluded that corruption, favouritism and lack of prompt information supply emerge as major reasons for not availing the loan among non-beneficiaries in both districts.

Reasons for not Applying the Loan

Figure 6.18

Reasons for not applying the loan

Table 148

Reasons for not applying the loan

<table>
<thead>
<tr>
<th>Dist.</th>
<th>Cls No.</th>
<th>Variables</th>
<th>Yes Ranges</th>
<th>No Ranges</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kanc</td>
<td>1.</td>
<td>Get loan from other persons</td>
<td>50</td>
<td>50</td>
</tr>
<tr>
<td></td>
<td>2.</td>
<td>Other reasons</td>
<td>23</td>
<td>77</td>
</tr>
<tr>
<td></td>
<td>3.</td>
<td>Lengthy Banking Procedure &amp; No need</td>
<td>33-47</td>
<td>53-67</td>
</tr>
<tr>
<td>Viru</td>
<td>1.</td>
<td>Other reasons</td>
<td>34</td>
<td>66</td>
</tr>
<tr>
<td></td>
<td>2.</td>
<td>Lengthy Banking Procedure &amp; Get loan from other persons</td>
<td>47</td>
<td>53</td>
</tr>
<tr>
<td></td>
<td>3.</td>
<td>No Need</td>
<td>47</td>
<td>53</td>
</tr>
</tbody>
</table>
Dendrogram obtained through cluster analysis on the reasons for not applying for loan for the two districts have been shown in figure 6.18. Summary statistics are provided in Table 148. The respondents’ reasons by the respondents in the Kancheepuram district were grouped into 3 clusters. Cluster I has Loan from other sources, Cluster II has other reasons while Cluster III has cumbersome banking procedure & No need felt. Likewise three clustering of reasons attributed by non-beneficiary respondents in Virudhunagar district are found. In the first Cluster Other reasons alone is present, in the second two reasons viz., Cumbersome banking procedure and Loan from sources were included while only one reason that No need felt is in the last cluster. It is inferred from analysis that about 50 per cent respondents in both the districts availed the loan from other persons and they are felt that Cumbersome banking procedure.