ROLE OF MICROFINANCE IN WOMEN EMPOWERMENT: AN EMPIRICAL STUDY IN ALWAR DISTRICT, RAJASTHAN, INDIA

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ABSTRACT
Microfinance plays a vital role for gender equality and empowering women. In India, Government has bought a number of development project but most of them have ignored the women. Microfinance plays a vital role for the elevation of poverty and for the empowerment of women. Women are the most decisive component of the society and are playing a vital role in the socio-economic framework of Rajasthan. Microfinance Program like SHG does motivate small amount of saving among the members. The present work is done to study the empowerment of women through Microfinance. The survey was conducted in Alwar district of Rajasthan on around 50 respondents, covering a sample of beneficiaries.

Key words: SHGs, Women, Empowerment, Microfinance.

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1. INTRODUCTION
Microfinance is the gateway for the poor to improve their standard of living. It helps the needy under social, political and economical aspects. Microfinance empowers the women through self help group. Microfinance provides banking services to the poor and needy.

The main objective of Microfinance is to empower women. It works as a powerful tool for women empowerment in the new economy. By empowering women it helps the society to get out of social evils. The two main problems facing by India are poverty and women empowerment. The development of India takes place only when there is an alleviation of poverty and empowerment of women. Empowerment of women focuses on education and employment which are an important element to sustainable development.

Self Help Groups (SHGs): A Self-Help Group is a group of people from the same socio-economic background up to 20 members. These groups are promoted by Government
agencies or NGOs with the aim of solving the common problems of group members either financial or social through mutual help.

Features of Self Help Groups are: i. SHGs are well accepted and established by government or NGOs. They can open accounts in bank in its own name, receive government grants and funds for various expansion activities. ii. They perform various activities as social intermediaries and often involved in numerous social activities. iii. They keep their own books of accounts. iv. It is a structured body including elected, Group President, Secretary and Treasurer. v. They have self-governing body. vi. SHGs activate small saving and rotate it in group

2. REVIEW OF LITERATURE

A number of studies have been carried out by various institutions, researchers and the agencies that have emphasized the constructive impact and trends of SHGs on economic and social empowerment of women. Some of accessible related studies are being reviewed here.

Ranjula Bali Swain (2007) Can Microfinance Empower Women? Self-Help Groups in India” concluded many strides have been made in the right direction and women are in the process of empowering themselves and NGOs that provide support in financial services and specialized training, have a greater ability to make a positive impact on women empowerment.

SusyCheston, Lisa Kuhn in their article titled ‘Empowering Women through Microfinance’ concluded Microfinance has the potential to have a powerful impact on women’s empowerment.

Ranjula Bali Swaina and Fan Yang Wallentin (September 2009) in their article ‘Does microfinance empower women? Evidence from self-help groups in India’ concluded that their study strongly indicate that SHG members are empowered by participating in microfinance program in the sense that they have a greater propensity to resist existing gender norms and culture that restrict their ability to develop and make choices.

3. OBJECTIVES OF THE STUDY

1. To analyse the affect of micro-finance on socio-economic women-empowerment.
2. To offer suggestions for the betterment of women’s empowerment.

4. RESEARCH METHODOLOGY

Sources of data: the study is undertaken in rural areas of Alwar region. Primary data is enumerated from a field survey in the study region.

Sample Size: samples have been collected for the research from rural area of Alwar region

Statistical tools used: simple percentage analysis, cross tabulation has been used to alalyse and interprets the data.

Method of data collection: - a structured interview scheduled was prepared and used for collecting data from the rural SHG members who engaged in micro enterprises through microfinance.
40% of the women were illiterate, 22% were literate, 10% were studied up to primary level, 16% were studied up to secondary, 8% were studied up to higher secondary and only 4% of the women were graduate.

**Reduction in poverty level**

70% of the women stated that microfinance has reduced their poverty level to a greater extent.

**5. LIMITATIONS OF THE STUDY**

- The study is confined with the rural areas of Alwar; hence the result may not be applicable to urban area SHG members.
- The data was collected only from those who engaged in income generating activities.
6. DATA ANALYSIS AND INTERPRETATION

Maintenance level of the family by women.

41 respondents out of 50 said that they can able to maintain their family to greater extent followed by the 7 respondents who accepted to some extent they can able to maintain their family after joining in SHG.

Purpose of getting microfinance by respondents.

20 respondents got microfinance to start new income generating business followed by their household purpose.

Marital status
Employment status of the respondents shows that 44% of the respondents were housewives, while 40% were self-employed, 10% were labour and lowest 6% were of professional.

7. FINDINGS
- Women are economically and socially empowered after joining SHG and getting microfinance as 70 percent reported that poverty level reduced by participating micro finance program.
- Women are given full freedom to express their opinions
- It is found that microfinance improved the literacy level of rural women improved awareness on children education to high level of respondents.
- There is a definite improvement in psychological well being and social empowerment among rural women as a result of participating in micro finance through SHG program.
- Most of the women were employed and the take loan to start their business.

8. CONCLUSIONS
The SHG’s of rural area doing their job very well. This study concluded that microfinance helped the rural women to empower them under social & economical. Empowerment is manifestly important for set-up socio-economic condition of the women. The SHG’s enabled women regarding their rights and duties for the sustainable development. While interacting with the respondents, it was found there is a need to organise training programme for income generating activities. The SHGs enabled women to aware about their rights, entitlements, taking part in various development programmes and economic activities for their substantial development.

REFERENCES


