

Women Empowerment through Micro- Finance

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ABSTRACT: Women Empowerment is a multi-dimensional social process that helps people gain control over their own lives communities and in their society, by acting on issues that they define as important. The micro- finance is of recent origin and is commonly used in related poverty alleviation, financial support micro – entrepreneurs, gender development etc. The micro-finance is banking through self welfare groups and Grameen groups. It is emerging a powerful instrument for poverty alleviation in the new economy. In India, Microfinance scene is dominated by Self Help Group (SHGs) as an effective mechanism for providing financial services to the “Unreached Poor”, and also in strengthening their collective self help capacities leading to their empowerment. Rapid progress in SHG formation has now turned into an empowerment movement among women across the country. Micro finance is necessary to overcome exploitation, create confidence for economic self reliance of the rural poor, particularly among rural women. Although no ‘magic bullet’, they are potentially a very significant contribution to gender equality and women's empowerment.

I. INTRODUCTION

The women who constitute about half of the population of India are being neglected from decades together, arte the main part of the human resources. According to 2011 census, in our country women are slightly less in number than men. However, their contribution to the prosperity and economic development of the country is highly significant. Traditionally there is a feeling that women are dependents because men are engaged in productive work, women look after the children, housekeeping etc. Now a days there is a shift in this view as more and more women are engaged in productive activities beyond housekeeping. With an increase in women education and employment, there is a considerable change in the attitude of the society towards women. Now majority of the Indian women are enjoying the freedom, justice and equal opportunity. This empowered the women's community and brought a measure of gender equality to a larger extent.

India lives in her 6, 38,345 villages with 24 crore poor engaged in micro enterprises. As per the Government of India's Ministry of Micro, small and medium Enterprises (MSES) in India. Poverty in India is widespread with the nation estimated to have a third of the World's poor. The credit needs and other financial services are provided to the rural masses in general and to the poor in particular through the rural financial markets comprising an unorganized sector consisting of pyramid type cooperative credit institution- broadly classified into urban credit cooperatives and rural credit cooperatives. The urban credit cooperative banks aim at meeting the credit requirements of the people living in urban areas. The rural credit cooperatives may be further divided into short-term credit and long –term credit cooperatives. With regard to short term credit cooperatives, at the grass root level there are Primary Agricultural Credit Societies (PACS) dealing directly with the individual borrowers. At the central level (district level) District Central Cooperative Banks (DCCB) function as a link between the primary societies and State Cooperative Apex Banks (SCB). As against the three structures of the short term credit cooperatives, the long term cooperatives credit structure has two tiers with many states with primary Cooperative Agriculture and Rural Development Banks (PCARDB) at the primary level and State Cooperative Agricultural and Rural Development Bank at the state level at National Level there is the NABARD to organize the Agricultural Cooperatives. Also there is National Cooperative Union of India, as an apex institution at National Level.

The NABARD launched a scheme of organizing them into self-help groups (SHGs) and linking the SHGs with banks, in1952. The scheme is broadly on the pattern devised by Bangladesh Gramean Bank. Under the scheme, poor, preferably the women are organized in the SHGs and banks are financing these SHGs for lending money those poor who are eligible for concessional refinance from the NABARD.

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development etc. The micro-finance is banking through self welfare groups and Grameen groups. It is emerging a powerful instrument for poverty alleviation in the new economy. In India micro - finance scene is dominated by Self-Help Groups (SHGs)- Bank Linkage Programme, aimed at providing a cost effective mechanism for providing financial service to the 'unreached poor' which has been successful not only in meeting financial needs of the rural power women but also strengthen collective self- help capacities of the poor, leading to their empowerment. Rapid progress in SHG formation has now turned into an empowerment movement among women across the country.

Micro finance deals with women below the poverty line. Micro loans are available solely and entire to this target group of women. There are several reasons for this : Among the poor , the poor women are most disadvantaged they are characterized by lack of education and access of resources , both of which is required to help them work their way out of poverty and for upward economic and social mobility. The government measures have attempted to help the poor by implementing different poverty alleviation programmes but with little success. The rural poor with the assistance from NGOs have demonstrated their potential for an informal credit supply through SHGs. The results from these self-help groups (SHGs) are promising and have become a focus of intense examination as it is proving to be an effective method of poverty reduction and economic empowerment. Micro finance and SHGs are effective in reducing poverty, empowering women and creating awareness which finally results in sustainable development of the nation. Women have been the most underprivileged and discriminated strata of the society not only in India but the world over. In spite of all Government and Non-Governments' efforts, they have been highly ignorant clients of the financial sector. In the recent times, microfinance has been emerging as a powerful instrument for empowering women particularly, the rural women. Apart from the informal sector of finance the formal and semi formal sectors like commercial banks, NGOs etc. are taking much interest in providing microfinance to women considering it to be a profitable commercial activity.

The term micro finance sometimes is used interchangeably with the term micro-credit .SHGs and Grameen Groups benefited through micro finance. The main aim of microfinance is to empower women. Microfinance is the provision of financial services to low-income clients, including

consumers and the self employed, who traditionally lack access to banking and related services. Microcredit or microfinance, is banking the unbankables, bringing credit, savings and other essential financial services within the reach of millions of people who are too poor to be served by regular banks, in most cases because they are unable to offer sufficient collateral. Women make up a large proportion of microfinance beneficiaries. Microfinance provides women with the financial backing they need to start business ventures and actively participate in the economy. It gives them confidence, improves their status and makes them more active in decision making, thus encouraging gender equality.

Observations and experience shows that women are a small credit risk, repaying their loans and tend more often to benefit the whole family. In another aspect it's also viewed as a method giving the women more status in a socio-economic way and changing the current conservative relationship between gender and class. Empowerment can range from personal empowerment that can exist within the existing social order. Thus this kind of empowerment would correspond to the right to make one's own choices, to increased autonomy and to control over economic resources. Empowerment signifies increased participation in decision-making and it is this process through which people feel themselves to be capable of making decision.

Micro finance services and groups involving men also have potential to question and significantly change men's attitudes and behaviours as an essential component of achieving gender equality. Majority of microfinance programmes focus women with a view to empower them. There are varying underlying motivations for pursuing women empowerment. Some argue that women are amongst the poorest and the most vulnerable of the underprivileged and thus helping them should be a priority. Finally, keeping up with the objective of financial viability, an increasing number of microfinance institutions prefer women members as they believe that they are better and more reliable borrowers. Self-help groups intermediated by microcredit have been shown to have positive effects on women, with some of these impacts being ripple effects. They have played valuable roles in reducing the vulnerability of the poor, through asset creation, income and consumption smoothing, provision of emergency assistance, and empowering and emboldening women by giving them control over assets and increased self-esteem and knowledge. Thus women empowered through micro finance in India.

II. CONCLUSION:

Women's financial contributions helped them earn greater respect from their husbands and childrens, negotiate husband's help with housework, and avoid family quarrels over money. The study also found increased respect from and better relationship within extended family and in-laws. Several studies show that women received more respect from their communities than they did before joining a micro finance programme. Thus, has been very successful in reaching women. This gives micro finance institution is an extra-ordinary opportunity to act intentionally to empower poor women and to minimize the potentially negative impacts some women experienced.

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