ROLE OF MICROFINANCE ON WOMEN EMPOWERMENT - A
COMPARATIVE STUDY OF MADHYA PRADESH AND JAMMU AND
KASHMIR

A
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Submitted by
Mohd. Azhar-ud-din Malik

Supervised by
Dr. Suresh Sachdeva

Ph.D. D.Lit.

Dept. of PG Studies and research in economics
Govt. S.L.P (P.G) College Gwalior

RESEARCH CENTRE
Govt. SLP (PG) College, Gwalior (MP), 474011
ROLE OF MICROFINANCE ON WOMEN EMPOWERMENT- A COMPARATIVE STUDY OF MADHYA PRADESH AND JAMMU AND KASHMIR

SUMMARY

Microfinance is a small source of financial services for poor people and small entrepreneurs lacking access to banking and related services. It is worldwide movement whose object is “a world in which as many poor and near poor households as possible permanent access to an appropriate range of high quality financial services” including not only credit but also insurance and savings. The major objective of microfinance for policy planners in India is to search products and strategies for delivering financial services to the poorer and small entrepreneurs mostly women mainly of backward areas in a sustainable manner that generally lack banking related services. The source of microfinance in India has been viewed as a development tool which would alleviate poverty, empower women and enhance growth of the country through financial inclusion. In our society Women face gender specific barriers like access to education, health, employment etc. Micro credit are available solely and entirely to this target group of women. The first organization to introduce the concept of microfinance to enhance the agriculture and rural development activities in India was NABARD. After that microfinance was steadily improved growing through SHGs. Presently Government of India with RBI have done wonderful job for easy accessibility of financial services to poorer and small businesses. Microfinance sector has made substantial progress over the past few decades and brought number of people above poverty line in India. This sector play a very important role in beginning and expanding the micro business
by offering micro loans to lower income groups which generate income and employment to local communities.

**MICROFINANCE IN INDIA**

Mahatma Gandhi, the Father of Nation stated that ‘India lives in its villages’. Economic Development of the country is possible only when there is development of villages. The percentage of rural population is more than the urban population as per the census 2011. According to the census reports, the rural population in India is sixty five per cent and urban population is thirty five per cent. Agriculture is the main occupation for the rural people which include farmers and agricultural labor. It is important to note that agriculture is a seasonal activity and its operations are short that is two hundred and seventy days in a year. For the remaining part of the year, the wage earner has to idle and without earnings there by cannot help their family. Various schemes introduced by the government to combat rural unemployment were not successful. The role of Indian women is peculiar in the family. They are the custodians of family maintenance and they don’t have any financial support. The male member of the family controls the financial aspects in the family they don’t leave any scope for women to participate in financial decision-making. During the days of seasonal unemployment in agricultural sector, she finds it very difficult to maintain the family in an orderly manner because she has to remain dependent on the earnings of male members for meeting the day to- day expenditure. Her wishes, desires and ambitions remain unfulfilled in the absence of adequate money available at her disposal. This situation called for providing the average Indian women with an opportunity to earn money on her own and empower herself financially and to make her dependent. Considering the need for women empowerment, the government has introduced several schemes to give financial freedom and earning opportunities to them. The working of the Self Help Groups which are working for empowering
the rural women financially is also analyzed. “All formal” is the principle behind the concept of SHGs. The SHGs are mainly concentrated on the poor and are for the people, by the people, and of the people. Its focus is only on the weaker sections particularly women for their social defense. SHGs help in creating awareness on day-to-day affairs, promoting savings habit, developing self and community assets, increasing the income level, increasing social power etc. The SHGs generates confidence, self-security and self-reliance.

MICROFINANCE IN MADHYA PRADESH AND JAMMU AND KASHMIR

In order to achieve economic growth in the states of Madhya Pradesh and Jammu and Kashmir, The microfinance institutions has to reach poor people who have certain entitlements in the form of productive assets, education and skills, the possession of otherwise can generate income to buy the food requirements besides this the Microfinance focuses on to help poorest families with very small loans (Micro-credit) either to engage them in productive activities or to settle their business. It has been analyzed that the poor and very poor who lack access to traditional formal financial institutions require a verity of financial products. Poverty is an age old and worldwide phenomenon. It affects the quality and standard of life of the people in the society in one form or other. M.P and J&K having a huge percentage of population living below poverty line. The unemployment underemployment, undeveloped agricultural sectors, unbalanced development with huge regional imbalances, shortage of capital, illiteracy lack of entrepreneurships etc. are some of the major causes of poverty in M.P and J&K state. Microfinance in the State of Jammu and Kashmir and Madhya Pradesh is still in its initial stage. The formal sources like Public Sector Commercial Banks, District Cooperative Societies, Regional Rural Banks and Private Sector Commercial Banks, which provide microfinance services to few thousand SHGs formed under SHG-Bank Linkage Model initiated by NABARD in 1992. Jammu and Kashmir is still
undeveloped besides having treasure of natural resources, due to its peculiar demographics and the political turmoil since last few decades. The severe problems like poverty, illiteracy and unemployment remained unnoticed which has amplified over the past two decades due to the continuous uncertainty and neglect by government and other non-governmental agencies. As a result of this, the State still has 21.63% of BPL Population (Directorate of Economics and statistics 2014-15) with financial exclusion largest among all other Northern States with about 68.2% of farmer households who live in rural areas have no access to financial services. Microfinance institutions are much needed in M.P and J&K State because in these states female population of both the states is low as compared to average sex ratio of the country. In M.P as per the census 2011 the total population of the state is72, 597,565 in which the male population is37, 612,920 and the female population is 34,984,645 with the sex ratio of 930 as low compare to 940 average sex ratio of the country and total population of J&K State slashed down from 47.15% of the total population in 2001 to 46.88% in 2011. As per details from Census 2011, Jammu and Kashmir has population of 1.25 Crore souls over the figure of 1.01 Crore in 2001 census. Total population of Jammu and Kashmir as per 2011 census is 12,548,926 of which male are 6,665,561 and female are 5,883,365 which show a reduction in sex ratio of 883. The corresponding figures of male and female as per Census 2001 were 5,360,926 and 4,782,774 respectively indicating sex ratio of 892. If we take the female literacy rate the ratio of both the states is near about same 60.02 of M.P and 58.01 of Jammu and Kashmir is low as compared to average female literacy rate of country 65.46. Gender difference still prevails in both in rural and urban areas but in rural areas it is very high. This is because of number of factors like lack of access to schools, parents feeling insecure about sending girl children to schools, their engagement in agricultural and other domestic activities etc. This work is about microfinance and its contribution in reduction in poverty Alleviation and
empowerment for millions of the poorest people of India. Microfinance has a great influence on
the lives of millions of poor people particularly women. Numerous scholars and NGOs are working
to take microfinance within the reach of poor people, who are still not benefited by financial
system. It was believed that microfinance is not important for all people but most groups can take
benefit from it. In this report, the researcher try to present a detailed account of the contributions
made by microfinance in empowerment of women by increasing the income generating activities,
empowerment of poor people to access development services such as health and education, and
reduction in vulnerability.

MICROFINANCE IN MADHYA PRADESH

Madhya Pradesh state is one of the poorest and undeveloped state of India. This region
ranks among the lowest areas of public health, gender and nutrition issues and about 37% of the
population in the state lives below the poverty lines as compared 26% of national average. Old
traditions, like caste system are still present in Madhya Pradesh. About 20% of state population
belong to a scheduled tribe. The government of Madhya Pradesh has reached many programmes
to the people through the formal financial intuitions. The banks also play an active role to reach
the financially excluded through the branch networks ultra-small branch or business correspondent
networks. If we look microfinance sector in the state of Madhya Pradesh at the end of 2014-15, it
is about 3.23 lakh of various groups with 39.3 lakh say 40, 00 lakh clients (SBLP and other
government agencies 24lakh and MFIs 15.30lakh after reducing the overlapping) with “no-frill”
accounts created for 11.50 lakh clients by the banks.

The state of Madhya Pradesh has been the point of attention on the world map primarily
due to significant strides made by its SHGs. The microfinance are playing an important role on
optimization of natural and human resources with the help of participation and achieving the goals of vision 2020. Women empowerment is considered as one of the main strategies to tackle socio-economic poverty. Women have taken up microfinance movement through savings as mass movement, a source used by them to shape their dignity for the better. The state government is making efforts to assist microfinance by providing funds under various program. Due to massive self-help movement, there is a lot of improvement in the socio-economic status of the rural women. Due to constant efforts of the government, women have become active, assertive, and are concerned with their best standard of life.

Right from the beginning, NGOs in the state of Madhya Pradesh are working for the cause of women and for their improvement more than 120- committed NGOs have been involved in facilitating the formation of self-help groups and efforts for their substance. Microfinance is working in collaboration with DRDA in training and capacity building skill development training programme building self-help group centered organizations.

MICROFINANCE IN JAMMU AND KASHMIR

In the state of Jammu and Kashmir Financial Inclusion Program was launched in 2006. In the state of Jammu and Kashmir steady substantial initiatives has been taken by the banking institutions towards achieving the objective of financial inclusion, however, among all the institutions, the Jammu and Kashmir Bank has taken a leap forward. The present study was attempt to look into the various strategies that banks have been taken to reach the neglected set of population in the State and to analyze the progress they have made so far.

Microfinance in the State of Jammu and Kashmir is still in its initial stage in progress. The formal sources like District Cooperative Societies, Public Sector Commercial Banks, Regional...
Rural Banks and Private Sector Commercial Banks providing microfinance services to few thousand SHGs formed under SHG-Bank Linkage Model initiated by NABARD in 1992. Under the MFI-Bank Linkage model, a bank (J&K Grameen Bank) recently established by the combination of two regional rural banks namely Kamraz Rural Bank and Jammy Rural Bank started working from July 2009. Money lenders provide financial services to a large no. of people, charging higher rate of interest or sabotaging the assets of the borrowers, all because of the financial exclusion by formal financial system. The State has not achieved any progress besides having treasure of natural resources, due to its peculiar demographics and the political turmoil since last few decades. The major problems like poverty, illiteracy and unemployment remained unnoticed which has amplified over the past two decades due to the continuous uncertainty and neglect by government and other non-governmental agencies. As a result of this, the State still has 21.63% of BPL Population (Directorate of Economics and statistics 2014-15) with financial exclusion largest among all other Northern States with about 68.2% of farmer households living in rural areas non-indebted and they don’t have any access to financial services.

Microfinance in the Jammu and Kashmir is a new concept. The results of these efforts will not be apparent in the near future. however, the advantage of this late implementation would be prominent in coming time. Recognizing that the Jammu and Kashmir Valley is unique because of both geographical location and political instability, it is necessary to introduce microcredit programs to meet local needs and conditions. While few financial institutions have started to distribute microcredit loans within the State, they operate in a complex manner, often overlapping each other in the services provided. To move forward with microcredit in this region, it is necessary to evaluate these existing programs to find a niche for further it may take some time before best
practices are established. It is difficult to guess how effective microcredit will be within the next ten years investment.

The Jammu and Kashmir is living in backwardness in spite of its limited natural resources. In this state several problems like poverty, unemployment and illiteracy remained unaddressed which has amplified over the past two decades due to the continuous uncertainty and neglect by government and non-government organizations, about 21% of Jammu and Kashmir state lives below poverty lines. Total population of Jammu and Kashmir as per 2011 census is 12,548,926 of which male and female are 6,665,561 and 5,883,365 respectively indicating a reduced sex ratio of 883. The microfinance in Jammu and Kashmir has a lot of influence particularly on women. Numerous scholars and NGOs are working for these people to take microfinance within their reach.

**PURPOSE OF STUDY**

On the basis of successes stories in economically backward regions, it has been found that micro finance has facilitated multiple socio-economic flows on sustainable thereby acting as an important tools for the poverty alleviation and economic empowerment. It has also been experienced that microfinancing has brought in its ambit inclusion of financially excluded people. Available literature about on the efficacy and prospective role microfinancing in triggering socioeconomic transformation, especially in vast rural hinterland in Jammu & Kashmir State is too scanty. This, therefore, led to conceiving present study. Evidence of substantive research in the area of microfinance was found to be inadequate in order to evolve a comprehensive and integrative operational policy in the state and became an inspiration for carrying out proposed research. Initial empirical evidence gathered to justify this study has upheld on the premise that micro finance can act as catalyst for long term economic take-off. The present study is therefore
intended to generate awareness, accessibility, and impact and gaps analysis in formulating policy options for improving living conditions of the beneficiaries.

**IMPORTANCE OF THE STUDY**

Government of India has been constantly emphasizing on women development and women empowerment since independence. All the State governments and officials, concerned with women welfare and development are also putting their best efforts towards this goal. The researchers, sociologists and policy makers are conducting surveys of different nature on women empowerment from time to time and assessing the achievements of governments in uplifting women status in Indian society. There is a marked progress in the status of women in India over a period of time. However, Indian women have remained as one of the nation’s greatest untapped resources. Hence, the Government of India now wants to empower by giving more elevation to women in all sectors of life. It has realized that the neglect of women power has been one of the root causes for backwardness of the country. Hence, there is a significant shift in the developmental programmes and approaches that entail women to acquire control over themselves, their resources and take their own decisions. However, for effective implementation of this approach, the prerequisite is the realization by the women themselves, of their economic role and potential, and subsequently their economic self-reliance. In other words, women first of all must empower themselves. Therefore, efforts should be initiated to infuse confidence in them. Training programmes to enhance the skills, to have access to credit, educational inputs and improvement in the bargaining capacities, marketing skills etc., have to be conducted. The non-government organisations from India and from abroad, Government agencies and educational institutions have been putting all their collective and individual efforts. Today, Jammu and Kashmir and Madhya Pradesh has also accepted women empowerment as one of the important tasks for economic
development. Both the State Governments has been encouraging SHGs and micro enterprises by involving more women in the rural areas. Hence, there is a need to review the performance of these SHGs and micro enterprises to stabilize and improve their operations. The present study of Empowerment of Women through Microfinance - Role of Micro Enterprises is taken up by the researcher with a view to analyse the operational performance of SHGs and micro enterprise and suggest steps to improve the status of women and their conditions. The study is confined mainly to measure the degree of empowerment of women in Madhya Pradesh and Jammu and Kashmir. This study is a modest attempt on a micro level to examine various issues relating to women empowerment with specific reference to women residing in poorer settlements. It is expected that the study of this type will help the people concerned to evolve and create opportunities for better growth of women in terms of improving economic independence and family welfare. This study could also provide insights into the factors responsible for the success of efficiency in organizing micro enterprises and SHGs especially at group level through collective action, which is very much needed for nation building.

**OBJECTIVES**

1. To assess the extent to which micro finance institutions have successfully helped the poor women to improving their socio-economic profile.

2. To compare the impact of microfinance on women empowerment in participants SHGs in Madhya Pradesh and Jammu and Kashmir.

3. To examine the roles of microfinance towards the dispersion of credit among the working Women.

4. To study the changing trends in the status of women in India and assess the present role of women and their empowerment.
5. To examine the current status of microfinance industry in India.

6. To analyze the problems and suggest the microfinance programmes more effective in the study area.

HYPOTHESIS

1. Microfinance effectively improving socio-economic profile and living standard among the participant households.

2. As self-help Groups grow older, the members of the groups are more benefited as compared to the new entrants.

3. Participation in microfinance program leads to women empowerment.

4. There is no significant relation between microfinance and women empowerment.

METHODOLOGY

In the present study, the impact of microfinance programme has been determined by comparing two groups: participant women of the programme (henceforth called as participants) and non-participants. Participants was the members of the SHGs which has been benefitted from the scheme and was received the bank loans. On the other hand Non-participants are those SHG members in the same areas which was eligible for the microfinance scheme and was formed the SHGs but did not access credit up to the time of the survey. As per the NABARD guidelines, SHGs are provided bank loans only after the active existence of the groups for about six months after the time of their inception. So, the non-participants belonged to the same group which was less than six months old at the time of survey; and have not availed any benefit of the programme.
DATA COLLECTION

The study was based on both primary and secondary data. The primary data collected through interview from participants and non-participants sample households. Primary data was collected from the women respondents on a specially structured pre-tested questionnaire through personal interview method. The study was conducted in Madhya Pradesh and Jammu and Kashmir it was not possible to collect data in whole of both the two states. There was also used secondary source of data to understand the concepts, definition, theories and empirical results. The researcher has used books, research literatures, articles, journals and reports, as secondary sources for study. Internet source was also been used for secondary sources.

SAMPLE DESIGN

The Researcher has taken random sample of 200 each in two districts namely Gwalior from Madhya Pradesh and Anantnag from Jammu and Kashmir. The researcher distributed 400 samples among participant and non-participant women members of the programme in which participant get benefited from the scheme and had received the bank loans and non-participants in the same area which was eligible for the microfinance scheme and was formed the SHGs but did not get access credit up to the time of the survey. So the total of 400 samples will be used for the study area. As per survey in Madhya Pradesh out of 200 questionnaires 112 respond comes from experienced of more than six months and 63 come from women respondents with experience of less than six months. In Jammu and Kashmir out of 200 questionnaires 106 comes from experienced sample respondents with experience of more than Six months and 78 comes from sample women respondents with experience of less than six months.

Being a researcher the focus of the research was on some of the problems that the women face in the society some problems was be analyze that hinder the progress and development of the
women. The researcher taken sample of women of the age group between 18 to 45 because of the following reasons:

(i) Psychological aspect

- From the age of 18 a woman enters in the cycle of adulthood. She undergoes all-around development that is physical and psychological development.
- Emotional development occurs maximum during this period. It is a crucial stage as the stress and strain occurs during this period (18-45).
- Women of age group from 18-45 faces a lot of disorders.

(ii) Political aspect

- Most of the women complete their education during this period and try to become independent, for this purpose they have to face a lot of problems. They are not given best opportunities to express themselves.
- They have been given right to vote but they are not given the right to know the uncertainties that hinder their progress.
- The so called leaders have not provided any special unit where they could express their demands and their rights.
- Most of this age group commits suicide and the government authorities remain silent without taking any action.

(iii) Social aspect

- Women in India face a lot of social issues and problem all through the life.
- It is the stage when a woman passes through the stages like marriage, responsibility of other family, employment problems etc.
Dowry, social discrimination, violent victimization faced more by the women of this age group.

Most of the divorces happen during this period, as it is the crucial stage for a woman in her life cycle.

Why I not selected the age group below 18 and above 45.

Up to 18 a girl remains in innocence cycle. She does not undergo maximum physical and psychological changes and she does not become a victim of the society as an adult woman becomes.

If we analyze a group above 45 they lack energy and their role in society is negligible and as per guidelines of NABARD women are allowed to enter SHG only after the age of 18. For the said reasons I avoided the above mentioned age group.

LIMITATIONS

As social science researches usually present multiple limitations when it is conducted, this study was not different. Like any empirical study, the study reported here suffers from a number of limitations.

Absence of specialised MFIs which cater only MF services.

The study also wanted to collect the data from the SHGs which were directly supported by the banks but was not able to get the list of beneficiaries as banks don’t maintain separate ledgers for beneficiaries of MF.

The bias in the data cannot be ruled out as the questionnaire had to be translated in native languages of the state.
NGOs were not able to give more time so that more number of SHG could have been contacted because of their other important engagements. As SHG members were shy of providing information in absence of concerned people of NGOs.

Findings of this study need further validation and inquiry because of the study being exploratory in nature. However, the findings have provided a foundation and measurement base for future studies related to microfinance.

The views and perceptions of women on empowerment programme differ from district to district and state to states, mostly women hesitate to express their problems. The study is restricted only on Madhya Pradesh and Jammu and Kashmir so results will not be generalize for SHGs working in other states, similarly financing pattern to SHGs through Microfinance institutions wouldn’t be same in all states.

CHAPTERISATION

The introductory chapter “Introduction” traces the background, meaning and function of microfinance. It also provides a detailed account of microfinance. In India especially in Jammu and Kashmir and Madhya Pradesh also highlights the problems of microfinance programme in India.

The second chapter “Review of Literature” shows a full history of microfinance. Limitless studies have been conducted on microfinance and women empowerment. This chapter gives a brief account of the works that have been done in this field. Also the statement of problems, its purpose, objectives, hypothesis, limitations, and methodology that has been used to conduct the study is discussed in this chapter.
The third chapter “women empowerment” concerns with the meaning of women empowerment and role of microfinance in the welfare of women society. Madhya Pradesh and Jammu and Kashmir has witnessed a positive role in this regard. The improvement in the two states by micro finance has been presented in this chapter.

The fourth chapter “Impact of microfinance on women empowerment in Madhya Pradesh” presents a detailed account of microfinance in Madhya Pradesh. It has been showed how microfinance helped to change the living standard of women. The sex ratio of Madhya Pradesh is not high and the literacy rate especially in rural areas is very low. In this regard microfinance is a good tool to uplift the weaker section, as it has provided employment to a large section of women society.

The fifth chapter “Impact of microfinance on women empowerment in Jammu and Kashmir” discusses the role of microfinance in the state of Jammu and Kashmir. J&K has also high unemployment rate and also the literacy rate of women is low as compared to men. Women in the state too use microfinances a source to generate their own income. The improved in the life standard of the women with the help of microfinance has been discussed and shown through the data that has been collected from the relevant sources.

The sixth chapter “comparative study of impact of microfinance on women empowerment in Madhya Pradesh(Gwalior) and Jammu and Kashmir (Anantnag) presents a comparative study of the two states. The data collected from Madhya Pradesh is compared with the data of Jammu and Kashmir. An analysis has been done in per capita income, consumption pattern, Sex ratio, and literacy rate and employment status of both of the states.

The seventh chapter is “conclusion and suggestions” have been discussed here.
WOMEN EMPOWERMENT

The status of women in India has been subject to vast changes over the past few millennia. In ancient times, Indian women used to enjoy equal status with men. Many reformers and social workers raise voice for the rights of women either because of the role of women in the society or their special character as described in Upanishads. But during the medieval period, the rights of women have been reduced in spite of arguments and support from many reformers. In modern India, women have been holding high level positions in administration, corporate sector and politics. They are at highest positions such as President of India, Prime Minister of India, Speaker of Lok Sabha, etc., in Indian Parliament. In spite of these, women in modern India are exposed to various social problems and issues. According to a global study conducted by Thomson Reuters, India is the "fourth most dangerous country" in the world for women. In terms of World Bank empowerment is "the process of increasing the capacity of individuals or groups to make choices and transform those choices into desired actions and outcomes. Central to this process is action which build both individual and collective assets and improve the fairness and efficiency of the organization and institutional context which govern the use of these assets." Economist Bina Agarwal defines empowerment as a process that enhances the ability of the persons and powerless individuals or groups to challenge and change in their favor, existing power relationship that places them in subordinate economic, social and political position. Empowerment can manifest itself in acts of individual resistance as well as mobilization of groups. Empowerment is multi-dimensional it not only refers to the expansion of freedom of choice but action in all spheres-economic, political, social/cultural, personal and familiar to change the one's life".
OUTCOME FROM STUDY

- The study shows that in M.P 96(54.85%) and in J&K 148(80.43) beneficiaries come from general category. About 32(18.28) in M.P and 17(9.23%) in J&K comes from OBC and 47(26.85%) M.P and 19(10.32%) in J&K respondents comes from SC/ST category. So the study shows that in Jammu and Kashmir the general class population working in micro finance is high than Madhya Pradesh. Only 20% (SC/ST and OBC) women respondent in J&K women respondent get benefit from microfinance and in Madhya Pradesh about half of socially backward class population benefited from micro finance programe.

- The age of respondents in Madhya Pradesh and Jammu and Kashmir, shows that 45% SHG members belong to the age group of 18 to 30 and 55% belong to the age group of 31 to 45 in M.P and on the other hand in J&K 26% belong to age group of 18 to 30 and 74% belong to age group of 31 to 45. As per data it shows that the average ratio of women below 30 and above is almost same in Madhya Pradesh but in Jammu and Kashmir the ratio of women workers is high in above 30 than low age group. The main reason behind comes the social status of women decrease after joining self help group and late marriage in J&K.

- The educational status of women respondent is almost same in both states. About 65% in M.P and 76% in J&K are either illiterate are primary educated. Other 35% in M.P and 24% in J&K women beneficiaries are either secondary or graduate educated. The data shows that maximum women respondents in both states are either primary educated are illiterate.

- As per date about 26% in M.P and 13% in J&K women beneficiaries are unmarried and about 72% in M.P and 83% in J&K women respondent have married status. The data shows that maximum women workers in microfinance in both the states are married but, the unmarried women respondent status is high in Madhya Pradesh than Jammu and Kashmir.
The reason behind is late marriage and decreasing social status of women after joining micro finance programme in Jammu and Kashmir.

- The annual income of respondents experience less than six months and more than six months in Jammu and Kashmir and Madhya Pradesh. As per data about 93% in M.P and 71% in J&K women beneficiaries have income less than one lakh only 6% in M.P and 22% in J&K SHG members have income 100001 to 20000 and above two lakh with the experience less than six months. The Self Help Group with the experience of more than six month 58% in M.P and 30% in J&K women respondent have annual income less than 1lakh. On the other hand 42% in M.P and 70% in J&K women beneficiaries have income 100001 to 20000 and above two lakh with the experience of more than six months. The data shows that among experienced respondent with the experience of more than six months income have high than women respondent with the experience of less than six months. So the income of experienced self-help group is improved after joining microfinance programme in both states Jammu and Kashmir and Madhya Pradesh. In overall 70% in M.P and 47% in J&K women respondents have income less than one lakh and remaining 30% in M.P and 53% in J&K have income 100001 to 20000 and above two lakh. So it shows that the income of SHG members in Jammu and Kashmir is high than in Madhya Pradesh.

- The consumption pattern of sample respondent with experience of less than and more than six months in Jammu and Kashmir and Madhya Pradesh. About 74% in J&K and 77% in M.P women SHG member with the experience of less than six months respond come that they have less attained consumption expenditure and on the other hand their comes only 24% in M.P and 18% in J&K women respondent with the experience of more than six months.
months which shows that we have less attained consumption expenditure. About 75% in M.P and 87% in J&K women beneficiaries working in SHG with experience of more than six months shows that they have either moderately or highly achieved consumption improvement after joining Self Help Group. The consumption achievement of sample respondent both in Jammu and Kashmir and Madhya Pradesh is almost same.

- **Major activities involved women respondents after joining Self Help Group.** Because as per guidelines of NABARD bank give loan to SHG only after they enter in income generating activities. The data shows that about 84% in M.P and 73% in J&K women respondent are involved in income generating activities and 27% in J&K and only 16% in M.P women beneficiaries are not involved in income generating activities. So the data shows that ratio of women in income generating activities in Madhya Pradesh is high than Jammu and Kashmir.

- **To measure the social economic condition of sample respondents the reliability test was taken on data and the obtained values of Cronbach’s Alpha are Greater than to Standard Value of Cronbach’s Alpha i.e. 0.7, it mean that our data is reliable and provide us necessary information as we want from data side.**

- **The socio-economic empowerment of sample respondents with the experience of less than six months in Madhya Pradesh and Jammu and Kashmir.** The data divided into two parts, part first shows economic condition of sample respondents and part second shows the social condition of the respondents. For economic empowerment data was collected to know the decision making, power over utilization of resources, impact on income, gain of employment opportunity in income earning activities, family empowerment in society, some help by microfinance, improvement of personal and family health through
availability of better facility after joining self-help group and cooperation in social progress. In decision making process about 85% people with the experience of less than six month in both state show that they are not yet benefited. The ratio was also same for increase in income and power over utilization of the resources. In employment generating status 76% in M.P and 70% in J&K show that we have not gain employment status and the remaining 24% in M.P and 30% in J&K respond that we have either partly or fully benefited to prepare ourselves in income generating activities. This shows that after joining SHG, members prepared plans for income generating activities. In family empowerment the respondents with the experience of less than six months 75% from M.P and 86% in J&K shows that they have not attained family empowerment in society, but about 25 in M.P shows that they have moderately or highly attained family empowerment after joining SHG. For the improvement of personal and family health the ratio was almost same 87% in both J&K and M.P not improved health. In cooperation build progress of society only 1.28% in J&K and 4.76% in M.P shows that they have not yet improved progress in society, the remaining 98.70 in J&K and 95% in M.P has improved cooperation in building social progress. So as per data for the build of economic progress among women beneficiaries all responds comes negative expect improvement in employment opportunity and cooperation in society progress, in first six months group work for income generating activities and take regular meeting to improve their group this shows new confidence among Self Help Group members. The part second shows the social empowerment of sample respondent’s data was collected about flow of information, social status, got importance in family and community, better relations and more friends and increase in awareness about society. In social progress the variable flow of information shows that in M.P 29% and in J&K 11.53%
respondents less benefited, remain 71% in M.P and 88% in J&K shows that they have either fully or partly benefited from flow of information, the reason behind this is one restricted life become fully liberalized life. In social status and got importance in family as well as community it shows the positive change even for a group with the experience of less than six months in Madhya Pradesh. On the other hand in Jammu and Kashmir about 90% of sample respondents shows that they have not improved their social and community status after joining Self Help Group. In Jammu & Kashmir the social status of women decline after joining Self-help group. The other two variable better relation in society and increase knowledge level shows positive change among respondent in both states. In economic empowerment the data shows that there is not the positive improvement expect cooperation in social progress. On the other hand in social status all variables shows positive change in Madhya Pradesh but in Jammu and Kashmir the variables like improve status in society and got importance in community shows negative impact on women respondents working in microfinance. So social status improve among respondents than economic empowerment because bank gives loan only after get experience of six months of Self Help Group.

- The socio-economic empowerment of sample respondents with the experience of more than six months in Madhya Pradesh and Jammu and Kashmir. The data divided into two parts, part first shows economic condition of sample respondents and part second shows the social condition of the respondents. For economic empowerment data was collected to know the decision making, impact on income, power over utilization of resources, gain of employment opportunity in income earning activities, some help by microfinance, family empowerment in society, improvement of personal and family health through availability
of better facility after joining self-help group and cooperation in social progress. In social empowerment variables was taken flow of information, social status, got importance in family and community. In economic empowerment about 88% in J&K and 86% in M.P shows that they are fully or partly benefited through microfinance programme in generating their income and remaining 11.31% in J&K and 13.39% in M.P shows that they have not improved their income. In decision making about 48% in M.P and 46% in J&K women respondents give information that their decision making has fully improved and partly improved after joining Self Help Group but, the remaining more than half of SHG member shows that their decision making process has not improve after joining Self Help group. The variable power over resources show that about 85% in J&K and 84% in M.P have moderately improved power to control power over resources, because decision making process is distributed in both husband and wife and it is not possible that woman get fully benefited to utilize whole resources of family. Their positive change employment status above 90% in both states among women beneficiaries after joining Self Help Group, because aim of SHG is to work for income generating activities. About 94% in J&K and 93% in M.P women respondents show that they have considerably and moderately improved their saving. The experienced Self Help Group wants to improve their saving rate to repayment loan and take next time big loan as compared to previous one. There was also improved family empowerment in both Jammu and Kashmir and Madhya Pradesh among the sample respondents. As per data 83% in J&K and 80% in M.P sample respondents shows positive change in their personal and family health. At last in economic empowerment about 95% of women respondents shows that their cooperation in social progress has improved.
In the part second of it shows the social empowerment among the Self Help Group respondents, its first variable flow of information shows about 89% in J&K and 94% in M.P women respondents are partly and fully benefit from microfinance programme to improve their information level and the respondents also give positive response that they get importance in family. The variables like improve social status and got importance in community about 94% of women respondents in Madhya Pradesh shows that they are fully or partly benefited. On the other hand in Jammu and Kashmir about 95% of women beneficiaries shows that through micro finance social status decline. Because society not prefer work of women outside home, especially when women takes loan from bank. For the variables like better relation and more friends and increase in awareness level the result for both Jammu and Kashmir and Madhya Pradesh shows the positive change. So as per data shown that the experienced people more than six month sample respondents has gain positive social economic empowerment than the sample respondents with the experience of less than six months. But the social status of sample respondents in Jammu and Kashmir decrease after joining Self Help group.

The regression and correlation analysis was also taken on data. The comparison was taken on the basis of sample respondents with experience of less than six months and more than six months. The first analysis was taken on sample respondents with experience of less than six months and more than six months for economic empowerment in Madhya Pradesh it shows only 2.0% effect with each other which mean the economic condition of sample respondents with experience of less than six months is different from respondents with experience of more than six months.
The second relation was seen on sample respondents with experience of less than six months and more than six months for social empowerment in Madhya Pradesh, it shows only 1.6% effect of independent variable on dependent variable. So it shows social condition of sample respondent with experience of less than six months is altogether different from respondent with experience of more than six months through microfinance programme.

The third Regression model was taken on sample respondents with experience of less than six months and more than six months Economic empowerment in Jammu & Kashmir. The model summary table indicates that Above Six Month economic Empowerment (J&K) has 8.9% effect on Below Six Month economic Empowerment (J&K) since the r square value of table is .077 which means Above Six Month economic Empowerment (J&K) has direct but low relationship with Below Six Month economic Empowerment (J&K). so the economic condition of sample respondent with experience of less than and more than six month is different from each other, because more than six month sample responds is already benefit through micro finance programme.

The fourth Regression model of respondents with experience of less than six months and more than six Months Social empowerment in Jammu & Kashmir. The model summary table indicates that Above Six Month Social Empowerment (J&K) has 6.5% effect on Below Six Month Social Empowerment (J&K) since the r square value of table is .065 which means Above Six Month Social Empowerment (J&K) has direct but low relationship with Below Six Month Social Empowerment (J&K).

The fifth regression model was taken on the basis of compares of respondents with experience of less than six months Economic empowerment in Jammu & Kashmir and
Madhya Pradesh. The model summary table indicates that Below Six Month Economic Empowerment (M.P) has 42.5% effect on Below Six Month Economic Empowerment (J&K) since the r square value of table is .425 which means below Six Month Economic Empowerment (J&K) has direct relationship with Below Six Month Economic Empowerment (M.P).

- The sixth Regression model was on respondents with experience of less than six months Social empowerment in Jammu & Kashmir and Madhya Pradesh. The model summary table indicates that Below Six Month Social Empowerment (M.P) has 16.7% effect on Below Six Month Social Empowerment (J&K) since the r square value of table is .167 which means Below Six Month Social Empowerment (M.P) has direct relationship with Below Six Month Social Empowerment (J&K).

- The seventh regression model shows relation of respondents with experience of more than six months Economic empowerment in Jammu & Kashmir and Madhya Pradesh. The model summary table indicates that Above Six Month Economic Empowerment (M.P) has 41.8% effect on Above Six Month Economic Empowerment (J&K) since the r square value of table is .418 which means Above Six Month Economic Empowerment (M.P) has direct relationship with Above Six Month Economic Empowerment (J&K). This shows that economic status of sample respondents is going in same way through microfinance.

- The eight regression model was taken on sample respondents with experience of more than six months Social empowerment in Jammu & Kashmir and Madhya Pradesh summary table indicates that Above Six Month Social Empowerment (M.P) has only 2.8% effect on Above Six Month Social Empowerment (J&K) since the r square value of table is .028 which means Above Six Month Social Empowerment (M.P) has direct but very low
relationship with Above Six Month Social Empowerment (J&K) and the R Value 0.190 show positive correlation but very low between Above Six Month Social Empowerment (M.P). The reason behind low relationship among respondents in both states is that in Jammu and Kashmir the status of women in society decrease after joining Self Help Group.

- The decision making status of women respondents with the experience of less than six months in Jammu and Kashmir and Madhya Pradesh. As per data it shows that about 67% in J&K and 40% in M.P respondent’s family decision is taken by their husband, around 25% in J&K and 51% of respondent in M.P shown response about that they decide any plan jointly and only 8% of women respondent in J&K and 9% in M.P take decision themselves. As per data it shows the respondent with the experience of less than six month have not much decision making opportunity in their family. As per data it shows that in most families in Jammu and Kashmir decision is taken by family head and in Madhya Pradesh half of sample respondent with the experience of less than six months decision of the family is decided by both.

- The decision taken by sample respondents with the experience of more than six months in Jammu and Kashmir and Madhya Pradesh. As per data shown 43% respondents in J&K and 55% in M.P decision of the family taken by both husband and wife, about 52% of respondent in Jammu and Kashmir and 26% in Madhya Pradesh the decision of the family is taken by husband. Remaining 5% in J&K and 19% in M.P shows that they take their decision herself. As per data it shows that the decision making authority of women increase in J&K but not much after even working in income earning activities. In Jammu and Kashmir the maximum decision is taken by men as compared to women. On the other
hand in Madhya Pradesh decision making over the utilization of resources of family has improved through micro finance.

- That about 58, (54.71%) in J&K said they never failed to repay the bank loan followed by 48, (45.28%) women respondents said that they failed to Repay the bank loan. On the other hand in Madhya Pradesh 77.67% women beneficiary said that never feel any default in repayment of bank loan and remaining 22.32% of respondents shows that they are not capable to pay bank loan. The ratio shows that the default system in repayment in bank loan is high in Jammu and Kashmir than Madhya Pradesh. Because of irregular meeting, lack of awareness on legal harassment of loan default, lack of peer pressure, unwilling to improve themselves and higher interest rate of private sector banks. In Jammu and Kashmir it has shown that the reason behind default in repayment of bank loan is that more SHGs get their loan from private sector banks they charges high rate of interest on SHGs. Bank loan is essential for economic development that’s why bank loan must be refunded within timeframe so that another loan could be availed later on. It concludes that respondents who takes loan from private banks fails to repay bank loan. It is important to improve microfinance rate of interest should be very low.

- The literacy rate in India is measure through census method, the census of India is taken after every ten years. So the new ratio of literacy comes after every ten years. Last ratio about literacy rate comes in 2011. In India as per data 2011 the total literacy rate was 74.04, in which male literacy rate was 82.14% and female 65.46%. Both Madhya Pradesh and Jammu and Kashmir lies at the bottom in terms of literacy rate in the country. In census 2011 the total literacy rate of M.P and J&K was 70.63 and 68.74. Male literacy rate in Madhya Pradesh was near 80.50% and that of female literary it was 60%. On the other
hand the male literacy rate of Jammu and Kashmir was 78.45 and female population was 56%. In overall ratio of literacy rate both the states comes down than national average. The literacy ratio of Madhya Pradesh is high than Jammu and Kashmir in allover literacy rate. Madhya Pradesh lies about 2% in male and 4% in female upper hand than Jammu and Kashmir.

- In Madhya Pradesh the sex ratio has improved to 931 in 2011 from 918 in 2001. On the other hand the Sex of Jammu and Kashmir decline from 900 female to 883 female per 1000 male. The data shows that in J&K and M.P the sex ratio is lower than the national average. But the improvement in sex ratio in Madhya Pradesh is better than in Jammu and Kashmir.

**SUGGESTIONS**

On the basis of major findings, following suggestions are made towards empowering the women through SHG and microfinance.

1. As many women do not have adequate knowledge about SHG, they should be provided literature with case studies in regional language so that they could have at least theoretical knowledge about the SHG and not become burden on the SHG or vice-versa.

2. As micro-credit gives women an opportunity to change their economic status through savings and credit policy but few commercial banks are reluctant to give loan to the mature SHGs. So that they could start their enterprise and can break the long chain of poverty and unemployment.

3. Member should be very analytical and logical while taking loan. They also have to be cautious about the proper selection of income generating activities. Otherwise they might become loan defaulters which make women more vulnerable.
4. Community based micro-enterprises like poultry farming, food processing, leaves plate making, batik fabric etc. would be most viable economic activities, which helps the beneficiaries drive out from the poverty trap. That’s why product should be produced according to local demand using local inputs. Entrepreneurial training and exposure visit would be added value to the SHGs for procuring quality of product.

5. Attending meeting should be made compulsory so that people should get benefit out of SHGs.

6. At least one leader of SHGs should be incorporated with the rural development programme to avoid the failure of the programme.

7. A block level federation of SHG members can strengthen the movement of a large extent as well as encourage the population to come forward and join active politics.

8. Periodical training at regular interval to the SHG members should be imparted so that they could enjoy the group thoroughly to reduce the drop out.

9. The NGOs and government should give them a fair amount of chance to market their product and help them to send their product in exhibitions and workshops.

10. The study reveals that majority of the group leaders are much informative and empowered than the general members and fair amount of chances are therefore nepotism, favourism and corruption taking place. So emphasis should be given to rotational leadership among the group members in an interval of two year.

11. The study also revealed that majority of general members are illiterate so non-formal education would be very much effective for understanding group activities specially group savings and credit policy which avoid unnecessary conflict among the group members. It also helps to retain members in the group.
12. Since Anantnag district is not agriculturally developed therefore emphasis must be given on promotion of horticulture and kitchen gardening with government support as their income generation activities.

13. Since majority of women does not have control over assets so government should take initiative to reduce the disparity between men and women in the matter of controlling assets. Only legislative would not be effective until and unless the SHGs are involved to campaign against the maladies and injustice against the women.

14. Empowering one means disempowering others so everybody should be brought to the periphery of SHGs.

15. Role of the media should be more proactive and should broadcast the news on SHGs now and again to make rural women aware and make the programme interesting.

16. Since SHG is the only option to inculcate social, economic and political development so SHG should be given more emphasis as a medium of rural development.

17. Government should take initiative to reduce the exorbitant rate of interest charged by the bank to the SHGs on bank loan. Since women belong to the poorest of poor, they should be given such type of relaxation.

18. Government should provide few incentives or rewards to the excellent SHGs like member of SGSY getting for sustainable development.

19. Further research should be encouraged to make the policies favoring women SHGs.

SCOPE FOR FUTURE RESEARCH

- The findings of the study can be used as a foundation to expand and continue the research in microfinance in both Madhya Pradesh and Jammu & Kashmir State.
• The variables and sub variables used in this study process need to be further investigated. The research studies in future can further refine and strength the each indices of the study for better understanding.

• Future research works can also focus on the refinement of scale used to measure various indices of the study. The modification would also make it possible for the researchers to probe those areas as well and improved which were left by the scholar due to various constraints.

• Research focused on the availability, awareness and accessibility, impact and gaps in the provision of microfinance. This study indicates that there is lot of scope for further investigation regarding the institutional elements, sustainability, purposes and social dimensions of micro finance in both states.

• The future research can get lessons from the present study and highlight the lack of existing data, which will contribute to the overall improvement of information system on micro finance.

• This evidences that the research on microfinance is low, which itself indicates for further research in the area.