CHAPTER – 6
FINDINGS, IMPLICATIONS AND CONCLUSION

6.1 Introduction
The present study is conducted for analyzing the impact of microfinance interventions on empowerment of women living in Gujarat State (India). The researcher has attempted to analyze the economic impacts of microfinance interventions at individual and household level. The summary, findings, implications and scope for future research are discussed below.

6.2 Summary
The present research work is divided into six chapters.

The First Chapter is of Introduction of Micro-finance in India in which the researcher has analyzed the evolution of microfinance in Indian and Global context along with Industry analysis, overview of Gujarat Economy and regulatory framework of microfinance industry.

Microfinance is not a new concept but it has been in existence in various forms in Indian society from thousand years ago. Money lending is referred to as an ‘art’ in the Vedic era during the period 2000-1400 B.C. In the Rig Veda, there is a reference to ‘rina’ and in the Satapatha Brahmana, a usurer is referred to as Kusidan. In India, the business of money lending is carried out by money lenders – a class of people that had not been the same throughout the history but had different names, structures and system of work with a definite time period. For example, the class of people engaged in money lending business was known as Gahapati (during 6th and 4th Century B.C), Samantas, Sarafs and Baniya (from 8th to Mid-18th Century) and Zamindars (from Mid-18th to 19th Century). According to contemporary approach, Prof. Muhammad Yunus has started microfinance movement in its original form in Jobra village of Bangladesh in 1974. Micro-finance industry in India has gone through three distinct phases in the past: High Growth and Commercialization (till 2009), Crisis and Volatility (2010-12) and Consolidation (2012-14). The industry witnessed tradeoff between commercialisation and social welfare. The most of institutions focused on profitability and transformed from NGOs into NBFCs. The factors like soft regulation, high competition, multiple borrowings and poor lending discipline resulted into crisis in microfinance industry during 2010-12. The industry started consolidating post 2012.
Chapter 2 gives a conceptual framework of microfinance. This chapter analyzes concept of microfinance, its approaches and various delivery models of microfinance in India. Although there is a lot of literature on microfinance, there is hardly any agreement on a universally accepted definition of micro-finance. Prof. Muhammad Yunus coined the term ‘micro-credit’ that refers to small amount of loans that are provided to poor people for productive purposes. It is after the success of his micro-credit movement and Grameen Bank in Bangladesh; industry started using the term micro-finance. Prof. Muhammad Yunus, the founder of Grameen bank, also argued that it is creating a lot of misunderstanding and confusion in the discussion and we should discontinue using the term ‘micro-credit’ or ‘micro-finance’ identifying its category. Some of researchers argued that the micro-credit programmes are NGOs, for which they cannot run their operations with the objective of making profit and depend upon external financing. The micro-finance, on the other hand, is a profit making private venture, which must aim at operating its activities without external help, because profit making and public objective do not go hand in hand. In India, the Task force of National Bank for Agricultural and Rural Development (NABARD) defines as “the provision of thrift, credit card and other financial services and products of very small amounts to the poor in rural, semi-urban or urban areas enabling them to raise their income levels and improve living standards.”

There are two approaches of microfinance services that include minimalist approach and integrated approach. Minimalist approach focuses on financial intermediation only while integrated approach targets not only financial intermediation but social intermediation also. The popular microfinance delivery models in India are Self-help Groups, Federated SHGs, Grameen Bank and Cooperative.

Chapter 3 is of review of literature that introduces various development theories like modernization, dependency theory, alternative development and human development theories, neo liberalism, post development and Millennium Development Goals (MDGs). Along with these theories of development gender issues and approaches like Women in Development (WID) and liberal feminism, Women and Development (WAD) and Gender and Development (GAD) have been discussed in details. These approaches and theories of development focus on evolution of women empowerment along with gender issues that have been addressed by international development agencies and governments of various countries. The second aspect of this chapter is an analysis of impact assessment studies on microfinance interventions so as to develop and find out the research gap in the literature. The third part of
review of literature deals with conceptualization of women empowerment along with empirical evidences of various research works and it ends with development of variables for women empowerment through microfinance. The researcher identified five different dimensions of empowerment of women that include Control over Financial Assets (CFA), Mobility (MOB), Purchase Making Ability (PMA), Involvement in Decision Making (IDM) and Freedom or Legal Awareness (F/LA) in terms of output. Further, women empowerment in terms of process comprises of three distinct stages: conditions for empowerment, route to empowerment and achievement of empowerment.

Chapter 4 deals with research methodology. Though there are large number of studies on empowerment and microfinance; the issues of economic impact assessment both at individual and household levels and empowerment of women have not been addressed simultaneously ever before. Further, the post crisis situations in Indian microfinance industry have laid to questioning sustainability of microfinance industry that requires analysis of impact of microfinance interventions. Lastly, the measurement of women empowerment in three different dimensions like index based analysis, model based approach and process based analysis is found to be peculiarity of present research work. The main objective of present research work was to analyze the impact of microfinance interventions on women empowerment. The secondary objectives include impact assessment of microfinance interventions on participant’s annual household income, annual household expenditure, household asset position, annual household savings and participant’s well-being. The present research work is descriptive cum exploratory in nature. To satisfy the research objective, total of 460 women participants from six different cities of Gujarat were selected and personally interviewed with structured questionnaire. The researcher himself went to six cities that include Ahmedabad, Rajkot, Baroda, Surat, Jamnagar and Mahesana and met respondents personally and collected data.

Chapter 5 analyzes the primary data that has been collected through sample survey. It includes descriptive statistics, analysis of empowerment using various methods and impact assessment in economic contexts. It starts with descriptive statistics where respondents’ socio-economic and demographic profile has been analyzed. It is observed that majority of the women (65%) fall under the middle-aged group i.e. 31-45 years and 47% of women respondents have attended primary school. The majority of women respondents are Hindus (82%) and lives in joint households (79.1%). The average annual income of household is ₹82,791 and average size of family is almost 6 wherein average number of family members
engaged in income generating activities is 2. Further, 52.8% of respondents have their own house and 68% of respondents live in semi-pucca house.

Chapter 6 includes the summary of thesis, major findings of the study, suggestions and conclusions.

6.3 Findings of the Study

The findings of the study can be divided into seven different parts as per the objectives of present research work.

6.3.1 Descriptive Analysis

- The major findings of descriptive analysis are discussed below:
  - Nearly 65% of women respondents fall in the age group of 31-45 indicating majority of them are middle aged. In terms of education, it is found that 77% of them are literate; majority of them have completed primary schooling (47.4%) and secondary schooling (18.9%). Out of total sample, highest percentage of women is found to be self-employed (77%), followed by wage employment (6.1%) and employment in family business (6.7%). It is found that almost 100% women respondents provide their income to family.
  - Findings based on analysis of monthly incomes show that due to microfinance interventions 50% of women respondents have been benefited in terms of increase in monthly salary from the lower level (amount earning less than ₹2,500).
  - It is found that 67.8% of women respondents send their children to school regularly.

6.3.2 Impact of Microfinance Interventions on Empowerment of Women

- The major findings of index based approach of measuring women empowerment and standard of living are discussed below:
  - Nearly 55% of women respondents are found to have high degree of empowerment in terms of CFA. This percentage is 15.4% in case of MOB, 28% in case of PMA, 53.5% in case of IDM and 23.3% in case of F/LA.
  - The percentage of women respondents that are found to be moderately empowered is 5% in case of CFA, 40.6% in case of MOB, 51.7% in case of PMA, 12.3% in case of IDM and 32.8% in case of F/LA.
• The percentage of women respondents that are found to have lower level of empowerment is 5.4% in case of CFA, 20.3% in case of MOB, 29.2% in case of PMA, 22.4% in case of IDM and 29.6% in case of F/LA.

• The percentage of women respondents that are not empowered is 34.8% in case of CFA, 23.7% in case of MOB, 1.1% in case of PMA, 11.9% in case of IDM and 14.3% in case of F/LA.

• It is found that 72.8% (n=335) of women respondents are having high SLI; 22.2% (n=102) of women falls in moderate SLI and merely 5% (n=23) are observed to have low SLI.

• The major findings of logistic regression models used to analyze the impact of microfinance interventions and other explanatory variables of the study on empowerment are discussed below:

• In case of Control over Financial Assets (CFA), it is found that there is significant impact of microfinance interventions on Control over Income (CINC), Control over Savings (CSAV) and Access to money for own use (CACC). Therefore, it can be said that women have been benefited after availing microfinance services and found to have empowered financially.

• The empirical results suggest that the use of microcredit leads women to have greater control over their own financial assets, such as income and savings, which is referred to as economic empowerment in the literature. This finding is important, as argued by Xia Li, Christopher Gan and Baiding Hu. (2011), since the literature indicates that economic empowerment always forms the base of women’s empowerment in other dimensions (Zaman H. 1999; Mayoux L. 2002; Ansoglenang G. 2006).

• Further, other household and women specific variables like annual household income (HAI), number of income earners in the household (EARNER) and education of women borrowers (EDU) are found have significant impact on Control over Financial Assets(CFA) along with impact of location. Annual household income (HAI) is found to be significant variable affecting women empowerment. This finding is consistent with Garikipati S. (2008) where she found that it is household income rather than length of SHG membership helps enhance women’s relative power in the family.

• In case of Mobility (MOB) of women, it is found that there is significant impact of microfinance interventions on Traveling alone to city (MCITY), Visit to local market
(MMARK), Visit to NGO or MFI Office (MMFIO) and Visit to health centre (MHEALTH) except Visit to Parent’s house (MPARNT) and Visit to friends or relatives’ house (MRELT). Therefore, it can be said that microfinance services enhance women’s mobility to public domain and empower them.

- Household’s Annual Income (HAI) is found to have significant impact on Visit to local market (MMARK), Visit to NGO or MFI Office (MMFIO) and Visit to health centre (MHEALTH). Thus, with increase in annual household income women availing microfinance services increase their visits to market, MFI’s office and health centre leading to empowerment. However, Number of Income Earners in the household (EARNER) does not affect Visit to Parent’s house (MPARNT), Visit to local market (MMARK) and Visit to health centre (MHEALTH) significantly. Further, Age of women does affect Visit to friends or relatives’ house (MRELT) and Visit to health centre (MHEALTH) significantly. Education of women does not affect MOB significantly.

- In case of Purchase Making Ability (PMA), microfinance loan variable (LOAN) and Number of Income Earners in household (EARNER) are found to have significant impact on Independent purchase of clothes for women themselves (PCLOTHY), Independent purchase of utensils (PUTENS) and Independent purchase of clothes for children (PCLOTHC) and it doesn’t affect Independent purchase of furniture (PFURNT), Independent purchase of jewellery (PJEWL), Independent purchase of food (PFOOD) and Independent purchase of ice-creams, cookies and candies (PCAND). Therefore, it can be said that microfinance services empower women in terms of independent purchase of clothes for themselves and for their children along with purchase of utensils in household. However, decisions related to purchase of jewellery and furniture for household are not found to be significantly affected by microfinance services.

- Moreover, the H-L test for logistic regression indicates model does not fit in case of Independent purchase of clothes for children (PCLOTHC). Further, Household Annual Income (HAI) except Independent purchase of ice-creams, cookies and candies (PCAND) doesn’t affect Purchase Making Ability (PMA) significantly. The women specific characteristics like Age and Primary Education (EDU-PRIM) have significant impacts on Independent purchase of jewellery (PJEWL) and purchase of food (PFOOD) respectively.
• In case of Involvement in Decision Making (IDM), microfinance loans (LOAN) are found to be empowering women significantly in all the seven variables. Further it is found that microfinance intermediation has significant impact on women involvement in decisions related to their children’s education (ICHEDU). This finding is consistent with APMAS report of Nizamabad District (2007) that also found more than 80 percent women participate in their children’s education.

• Further, the H-L test for logistic regression indicates model does not fit in case of Involvement in deciding when to have a child (ICBIRTH). Household Annual Income (HAI) and Occupation of Household Head (HHOCP) do not found to have significant impact on Involvement in Decision Making (IDM) while Number of Income Earners in household (EARNER) has significant impact on Involvement in Decision Making (IDM) except Involvement in deciding use of borrowed money (IUBORRM). Accordingly, as the number of income earners in the household increases it results into higher involvement of women in decision making of household.

• In case of Freedom or Legal Awareness (F/LA), microfinance doesn’t found to have significant impact on Freedom or Legal Awareness (F/LA) except awareness of women’ rights against domestic abuse (LABUSE). Microfinance (Loan<₹10,000) variable is negatively associated with LABUSE. Further, these findings are consistent with Xia Li, Christopher Gan and Baiding Hu (2011); they observed that a potential limitation in assessing the impact of microcredit on the freedom/legal awareness is that these indicators reflect the female perceptions of empowerment rather than their real behaviour. Whether any of the awareness would be actually put into practice is unknown. However, it can be argued that stronger legal or freedom knowledge play important roles in raising women’s consciousness of fighting for their rights within the household domain or even at a higher level, such as community and society.

• While there is no significant impact of household socio-economic characteristics on Freedom or Legal Awareness (F/LA). Age is found to have significant impact on Freedom or Legal Awareness (F/LA) except women’ rights against domestic abuse (LABUSE). Therefore it can be said that with increase in age women become more aware about use of contraception, female minimum marriage age and legal method of divorce. Further, Education (EDU) has significant impact on awareness of the use of contraception (LUCONT).
Moreover, the city where women borrowers reside is also found to have significant impact on empowerment of women. Women from Ahmedabad are found to have higher odds of empowerment compared to women from Mahesana. It is because 21 empowerment indicators (out of 27) show higher odds of getting empowered in case of Ahmedabad. Similarly this number is 18 (in case of Rajkot), 16 (in case of Baroda), 11 (in case of Surat) and 2 (in case of Jamnagar) as compared to Mahesana.

The results of cross validation of logistic regression models show that majority of the models of control over financial assets and involvement in decision making are deemed to be accepted in terms of classification accuracy. It is followed by purchase making ability. However, the models of mobility and freedom or legal awareness can be expanded to enhance its classification accuracy.

The major findings of process based analysis of women empowerment are discussed below:

The first stage of empowerment of women is conditions for empowerment which is defined by the set of choices and options initially available to women for increasing welfare and reducing subordination to men. It is measured by education, employment, exposure to public domain and awareness of fertility regulation. From the results it is found that 77.2% women are literate and 77% of women respondents are either self-employed or wage employed.

Moreover, 72.6% of women respondents believed that their interactions with outsiders have increased after availing microfinance services and 98.48% of women respondents are found to have exposure to mass media. Further, 47% of women respondents are found to have awareness about use of contraception. From these finding, it can be said that most of the women respondents have benefited in initial choices and conditions for empowerment.

The second stage of empowerment is agency in household processes where women are expected to observe exercising their rights and power to so as to empower themselves. It includes access to household income and participation in decision making. It is found that 57.8% of women respondents have control over their income and 59.1% of women have control over their savings. Further, 62.8% of women respondents are found to have spent money for satisfying their own needs.

In terms of participation in decision making, it is found that 78.9% of women taking food related decision and 63.3% of women taking decisions of purchasing household
items. However, women’s participation in repair or construction of house and children’s education if found to be low at 9.8% and 5.8% respectively. Therefore, it can be said that women are found to have major say in the decisions that usually fall into their domain while their participation is low in terms of male domain decision or joint decision making.

- The third and last stage of empowerment process is improved relative or absolute welfare of women which is measured by fertility regulation, time allocation for various activities along with family members’ access to healthcare and immunization of children (under the age of seven) and reduced subordination.

- From the results, it is found that 45% of women respondents participate in when to have a child in the family. Time allocation for various activities shows that mean time of women respondents for household activities has increased from 5.33 hours to 6.02 and mean time for economic activities has also increased from 5.32 hours to 6.38 hours.

- Moreover, 61.5% of women respondents have received treatment when ill and 81.5% of women borrowers have immunized their children under the age of 7. However, 60.9% of women respondents are found to have become victims of domestic violence.

6.3.3 Impact of Microfinance Interventions on Annual Household Income (Mean Word)

- It is found that the annual household income of women borrowers have increased after availing microfinance services.

- The highest income change (in absolute sense) is found in ‘other’ economic activities (₹10,841.67/Year) that includes beauty parlor, sewing clothes, cooking etc.

- The highest income change (in percentage terms) is found in income from services. It is found that women borrowers have been benefited by 41.25% increase in their annual household income from providing various services in informal sector after availing microfinance.

- The lowest income change (in absolute sense) is found in income from small business that amounts to ₹7,353.16 per year. Further, in terms of percentage terms, the lowest increase in income is 22.80% which is found in case of income from labour selling.

- From the results of logistic regression model, it is found that variables like distance of branch, number of income earners in the household, microfinance (loan amount of
It is found that those women respondents having distance of 1-10 km (from their house to MFI Office) are 7.7 times more likely to have odds of increase in annual household income compared to those women having distance of 11-16 km.

- It is found that women respondents residing in owned houses are 2.5 times more likely to have odds of increase in annual household income compared to those women respondents residing rental houses.

- It is found that those women borrowers who have borrowed amount between ₹10,000 and ₹20,000 are 6.5 times more likely to have odds of increase in annual household income compared to those women borrowers that have borrowed more than ₹20,000.

- A comparison of various cities shows that women residing in Baroda city are 3.5 times more likely to have odds of increase in annual household income compared to those women residing in the city of Mahesana.

### 6.3.4 Impact of Microfinance Interventions on Annual Household Expenditure

- It is found that the annual household expenditure of women borrowers have increased after availing microfinance services.

- The highest expense change (in absolute sense) is found in ‘other’ expenses that include rent of house, expenses for marriage and other social occasion (₹5,628.74/Year). It is followed by expenses of food (₹3,829.19/Year).

- The highest expense change (in percentage terms) is found in purchase of furniture that is 853.00% followed by repair and maintenance of house (577.06%).

- From the results of logistic regression model, it is found that there is no significant impact of variables like distance of branch, number of income earners in the household, ownership of house and education of women borrowers on increase in annual household income except microfinance loan amount (loan amount of ₹10,000 to ₹20,000).

- It is also found that there is no significant difference between logistic model with independent variables and model with only constant. Therefore, it can be said that there is increase in annual household expenditure of women borrowers after availing microfinance but independent variables under the study do not have significant impact on increase in annual expenses.
6.3.5 Impact of Microfinance Interventions on Household Assets Position

- The assets of women borrowers have increased after availing microfinance services.
- It is found that there is significant increase in mean number of agricultural equipment (73.13%), electronic goods (72%) and area of cultivable land (67.48%).
- In case of number of owned houses, livestock, vehicles, jewellery and area of house, there is no significant increase in percentage terms or change in absolute amount.

6.3.6 Impact of Microfinance Interventions on Annual Household Savings

- The savings of women respondents have increased at least by 50% after joining microfinance institutions.
- The women borrowers are found to highest mean amount of savings with banks (₹3,875/Year).
- It is found that after availing microfinance services the mean amount of savings of women borrowers with banks have increased by ₹1,371.64. This increase is found to be highest (in absolute sense) as compared to other mode of savings.
- In terms of percentage, the change in mean amount of annual savings is found to be as high as 69.39% in case of savings with co-operative society.

6.3.7 Impact of Microfinance Interventions on Well-being of women borrowers

- From the results of logistic regression model, it is found that variables like distance of branch, number of income earners in the household, microfinance (loan amount of ₹10,000 to ₹20,000), ownership of house and city (location) have significant impact on well-being of women borrowers that have availed microfinance.
- It is found that those women respondents having distance of 1-10 km (from their house to MFI Office) are 4.214 times more likely to have odds of increase in annual household income compared to those women having distance of 11-16 km.
- Further, 1% increase in number of income earners in the household increases the odds of well-being of women borrowers by 1.826 times.
- It is found that women borrowers that have borrowed loan amount between ₹10,000 and ₹20,000 are 3.247 times more likely to well-off compared to women that have borrowed more than ₹20,000.
- It is also observed that women borrowers having owned houses are 2.890 times more likely to well off as compared to women borrowers residing in rental houses.
6.4 Implications of the Study

- It is found that almost all the women respondents contribute their income to the family. However, women are required to be suggested to keep certain amount of their income with themselves for future uncertainties and greater control over financial assets. More than one third of women do not exercise control over financial assets that include income, savings and access to money. Further, there is a greater need to make understand women clients of microfinance to register long terms asset like house and agricultural land (if any) in their own name or with their husband’s name jointly instead of single ownership of husband. It would be first step for empowerment.

- For every five women, one has to ask for permission from her husband or other family members to go outside. To enhance the empowerment in terms of mobility, women borrowers need to be made aware about their freedom and rights. This can be possible in SHG meetings that are organized fortnightly or weekly.

- Further, participation of women in decision of repair or construction of house (that usually pertaining to male domain) and education for children is found to be low which can be increased by educating them and promoting for taking interest in strategic decisions of family.

- The outcome of women empowerment in terms of relative and absolute welfare shows that after availing microfinance services there is increased burden in terms of time allocation (women borrowers have to spend more time in household work and earning activities) and instances of domestic violence. These issues needs to be addressed by counseling women in SHG meetings personally and assisting them by providing legal support if required for prohibiting violence.

- Microfinance institutions instead of merely providing loans should organize seminars for greater awareness of use of contraception and rights of women against domestic violence that would enhance their freedom and legal awareness.

- There is a greater need to focus on efforts of empowering women through microfinance in small cities like Mahesana and Jamnagar as women from these cities are found to have lower level of empowerment compared to Ahmedabad, Rajkot, Baroda and Surat. Further, microfinance institutions are observed to have their presence in developed cities as mentioned above while there is greater need to spread scope of microfinance services in small cities.
• An analysis of household annual income shows that lowest increase (in absolute sense) is found in income from small businesses when two third of women respondents are self-employed. It suggests that there is a greater need of support in skill development of women along with support in marketing. MFIs and government can jointly help small businesses established by women borrowers in this direction.

• There is a greater need of focusing on expenditure on education of children (average of nearly ₹2,000 p.a. after availing microfinance services) that indicates lower amount spent (invested) for the education of children. Further, it is found that nearly one out of every three children of women respondents is not going to school regularly. On the other side, level of higher education is found to be low amongst women. These implied that women need to be educated by MFIs for importance of education for their children along with importance of quality time spent with them (as it is found that women spent less time in child care).

• Women borrowers need to be motivated to increase their level of savings that serves the base for micro financing. The average annual maximum savings in banks amounts to ₹3,875 that come to around ₹325 per month.

• The impact of microfinance services on various assets like ownership of house, agricultural equipment, vehicles and electronic goods is not found to be significant (in spite of statistical significance) that needs to focused by MFIs.

6.5 Scope for Further Study

According to Prof. Muhammad Yunus, the women borrowers of microcredit are expected to use borrowed money in small businesses and generate income for their family (Fig. 6.1). It is expected that this increased income of women borrowers would help them coming out of poverty. However, development agencies and community started focusing on one more outcome of microfinance that is empowerment of women.

Therefore, the development thinkers, academicians and researchers started analysing this linkage and present study is not an exception. However, after the interactions with women borrowers at the time of data collection and relearning about this linkage, the researcher found that true power cannot be given or bestowed (also observed by Taliaferro M. B. 1991) but it comes from within. Microfinance institutions and other development institutions can
work as facilitators of women empowerment, it depends upon the woman borrower that whether she wants to empower herself or not.

**Fig. 6.1**

**Linkages of Microcredit and Empowerment**

1. Poor Women
   2. Access to Micro-credit
   3. Use of Loan in Business
   4. Moving out of Poverty
   5. Empowerment

Without her willingness to change, empowerment is not possible. Therefore, the above linkage can be further expanded with the help of theory of capability approach propounded by another Indian Nobel laureate Prof. Amartya Sen.

**Fig. 6.2**

**Linkages of Microcredit and Empowerment**

1. Poor Women
   2. Access to Micro-finance
   3. Use of Loan in Business
   4. Capabilities
   5. Moving out of Poverty
   6. Capabilities
   7. Empowerment
The linkage can be revised and presented in Fig. 6.2. The use of borrowed money in business is expected to depend upon the capabilities and functionings of women borrowers not only for coming out of poverty but also for empowerment.

A person’s capabilities, according to Prof. Amartya Sen, represents ‘the alternative combinations of functionings that are feasible for (him or) her to achieve’. It reflects the person’s real opportunities or positive freedom of choice between possible life-styles. Therefore, there is a need to carry out research and explore the linkages of microfinance, capabilities of individual women borrowers and finally empowerment as how women feel about it rather than being promoted by microfinance institutions.

6.6 Conclusions

The major objective of present research work was to analyze the impact of microfinance interventions on empowerment of women from Gujarat state. From the research it is found that most of women participants have been empowered after availing microfinance services. However, access to microfinance services serves as one of opportunities for poor women to empower; by availing the same, nobody can ensure that it will lead to empowerment of women. There are so many possibilities; rather than a predetermined set of outcomes.

Further, it is believed that empowerment refers to a process of giving power to someone. However, in actual sense, it is transformation of oneself that gradually transfer the power in his/her favour. Women, without willingness to change and consciousness, cannot be empowered immediately. Empowerment process requires that an actor (woman) herself move towards gaining power (confidently) rather than pushing up her (nervously) by third parties (like NGOs). As pushing up women for empowerment is temporary outcome and leads to exit (divorce or separation) from household.

The economic impacts of microfinance interventions on women’ households are found to be positive and have resulted in higher standard of living and increased well-being. However, MFIs need to assure that they follow lending discipline in delivery of microfinance with the objective of reasonable profit or no profit. The Indian Government needs to be proactive and should pass microfinance bill so as to regulate the industry as it has already witnessed crisis due to soft regulation.
References


