RESEARCH DESIGN

2.1: RESEARCH METHODOLOGY

The study intends to analyse the role played by microfinance in women empowerment. In pursuance of the objectives and hypothesis the methodology adopted for conducting the study has been described as follows.

2.1.1: Sources of data

The present study is empirical in nature and is based on the collection of data through survey method. Both primary and secondary data are used to achieve the objective of the study. Researcher intends to collect the primary data needed for the study through the questionnaire and holding the interviews with the respondents and microfinance institutions in Kalaburagi district.

Primary data is collected through questionnaires and interviews. Separate and independent questionnaires are prepared to both women beneficiaries and micro financial institutions. The questionnaires are split into two parts for both types. The first part of questionnaires for women beneficiary consists of the Demographic features, Occupation, Details of association with microfinance like the level of income generation, Source and repayment of loan and other details related to socio-economic development and second part consists of statements of five point scale. As women beneficiaries were less literate and unaware of English language, the whole questionnaire was converted into Kannada language to bring out the responses accurately.

In the same way the first part of questionnaires for Microfinance institution consists of the details of institution like their Name, Year of establishment, total staff, repayment status, the services provided by them etc, few questions were asked regarding their operations. Second part consists of statements of five point scale where the officials were asked to rate it.

Secondary data are collected from annual reports, articles, Text books and magazines, journals and websites.
2.1.2: Tools for analysis:

The researcher has used different statistical tools to analyze the primary data collected. Following the rules and conditions of Hypothesis testing, the present study is carried out with the help of few statistical tools like percentage, chi-square test for independence, Z-test with the help of MS Excel etc, that have been used to analyse the data and to arrive at conclusion. In order to analyse the perception of women beneficiary on the impact of microfinance in their empowerment, they were asked to respond to 17 statements using Five-point scale rating method. For all the positive statements the rating was made starting from “Strongly agree (5), Agree (4), Neither agree nor disagree (3), Disagree (2), strongly disagree (1)” and reverse rating was taken for few negative statements. This perception scores were analysed using Likerts scale analysis. The same above technique was used for the analysis of microfinance Institutions also.

2.1.3: Sample Size

As our aim is to assess the socio-economic development of women in Kalaburagi district, the researcher approached various SHG’s in the district. Stratified random sampling technique is used to draw the sample for present study. Kalaburagi District comprises of six talukas along with Kalaburagi city and Rural. Only those Self help groups have been chosen who had taken loan from banks (As per the data available from Kalaburagi district at a Glance-2013-14 &Women & Child dev. Dept and PKGB Bank Kalaburagi.)

Out of the total SHGs in taluk wise who had taken loan, 15% of the sample of SHGs were selected , and Finally out of the selected SHGs 2-3 respondents from each Self help groups were chosen for interview. The total sample size comprised to 500 respondents. The selection of sample numbers are shown in table-2.1 :
Table -2.1: Selection of Sample

<table>
<thead>
<tr>
<th>Sl no</th>
<th>Name of Taluka</th>
<th>No of groups taken loan from the bank</th>
<th>Sample size</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Afzalpur</td>
<td>620</td>
<td>60</td>
</tr>
<tr>
<td>2</td>
<td>Aland</td>
<td>909</td>
<td>85</td>
</tr>
<tr>
<td>3</td>
<td>Chitapur</td>
<td>735</td>
<td>64</td>
</tr>
<tr>
<td>4</td>
<td>Chincholi</td>
<td>834</td>
<td>79</td>
</tr>
<tr>
<td>5</td>
<td>Jewargi</td>
<td>651</td>
<td>61</td>
</tr>
<tr>
<td>6</td>
<td>Sedam</td>
<td>854</td>
<td>82</td>
</tr>
<tr>
<td>7</td>
<td>Kalaburagi city &amp; rural</td>
<td>745</td>
<td>69</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>5348</td>
<td>500</td>
</tr>
</tbody>
</table>

Source-Annexure I - Report of PKGB

Graph no-2.1: Selection of Sample

Besides these, researcher also consulted around 20 microfinance institutions and banks working in Kalaburagi city. The list is below in table- 2.2.

Table -2.2: List of Microfinance Institutions

<table>
<thead>
<tr>
<th>Sl no</th>
<th>Microfinance institution</th>
<th>Sl no</th>
<th>Microfinance Institution</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Chaitanya microfinance</td>
<td>11</td>
<td>Vaya Financial services</td>
</tr>
<tr>
<td>2</td>
<td>Grameena Koota</td>
<td>12</td>
<td>Canara bank</td>
</tr>
<tr>
<td>3</td>
<td>Janalaxmi</td>
<td>13</td>
<td>HDFC</td>
</tr>
<tr>
<td>4</td>
<td>L &amp; T Financial Services</td>
<td>14</td>
<td>Krishna bhima samruddhi</td>
</tr>
<tr>
<td>5</td>
<td>Nirantara Financial corp</td>
<td>15</td>
<td>Muthoot fin corp</td>
</tr>
<tr>
<td>6</td>
<td>Sanghamitra</td>
<td>16</td>
<td>Pragati Krishna Grameena Bank</td>
</tr>
<tr>
<td>7</td>
<td>Share microfinance</td>
<td>17</td>
<td>State bank of India</td>
</tr>
<tr>
<td>8</td>
<td>Spandana</td>
<td>18</td>
<td>State bank of Hyderabad</td>
</tr>
<tr>
<td>9</td>
<td>SKS Microfinance</td>
<td>19</td>
<td>Syndicate bank</td>
</tr>
<tr>
<td>10</td>
<td>Suryodaya microfinance</td>
<td>20</td>
<td>Vijaya bank</td>
</tr>
</tbody>
</table>
2.2: HYPOTHESIS
H₁: There exists a Significant Relationship between Women Empowerment and Economic Independence
H₂: There exists a significant relationship between women empowerment and education.
H₃: There exists a significant effect of microfinance service on employment of women beneficiary
H₄: There exists significant relationship between women empowerment and microfinance Training
H₅: There exists a significant relationship between women’s linkages with other financial institutions.
H₆: There exists a significant relationship between the age of women beneficiary and empowerment.
H₇: There exists a significant relationship between women empowerment and their income, savings, acquisition of assets, and the resultant decision-making power at domestic level.

2.3: LITERATURE REVIEW
Empowerment of women means equal status to women. Here the balance of power between men and women is equal and neither party has dominance over the other. Empowering women socio-economically through increased awareness of their rights and duties as well as access to resources is a decisive step towards greater security for them which includes higher literacy level and education for them, better healthcare for women and children, equal ownership of productive resources, increase participation in economic and commercial sections, awareness of their rights and responsibilities, improved standards of living and acquiring self-reliance, self-esteem and self-confidence. Thus the framework of empowerment encompasses the welfare of women, satisfaction of basic needs, access to resources, equal participation in decision making alongside men and control, which refers to the ultimate level of equality and empowerment.

After having discussed the main aspects of the study, this chapter explores the relevant literature relating to the study. The review of literature is an important task of research work. It helps to understand the significance, background and the current position related to the subject chosen for the research work. So it is imperative to review
all kinds of literature related to the subject matter. During the course of the study, the study of several authors was referred and it is imperative that an outline of the literature survey is put to note and the following references are worth mentioning to review and to evaluate the performance of women beneficiary in microfinance. A brief review of few significant works is done in this section. Finally the gaps in the existing literature are discussed.

The literature reviewed has been presented by classifying into following forms:

1. Review of Theses.
2. Review of Articles.
3. Review of Reports.

1. Review of Theses.

Kalavat Kamble and Gangadhar B. Sonar (2006) in their work, "The Role of SHGs in Women Empowerment -study on selected SHGs promoted by voluntary organization in Gulbarga District of Karnataka" studies the socio-economic empowerment of women. The socio-economic conditions of the SHG women are increasing to a significant level irrespective of different backgrounds. Earlier they used to be in home and not exposed to the society and were part of the system. Now they can come out and approach the government machinery, conduct meeting, to signature & more importantly have a good amount of money in their hand. SHGs are mostly focused from financial aspects rather social. The fact that self-help groups, are increasingly attracting younger generation, this generation not only needs social and economic empowerment but also needs assertive capacity, freedom from atrocities and a new self image to claim themselves as fully human.

Sharanappa M (2006) in his thesis “The economic conditions of Self Help Groups in Karnataka- with special reference to Bidar District. The researcher covered self help group and bank linkage programme, functions and performance of self help groups in bidar districts. It was observed from the study that the enrolment of SHG in the

---


area was increasing remarkably. The groups are not only active in avoiding waste and effective credit management but are also taking up other activities such as Natural resource management and development work, improving literacy, knowledge management etc. The study concluded that many innovations relating to the concept of self help groups are in the path of progressive economic development.

Mohammad Arifujjaman Khan and Mohammed Anisur Rahaman in (2007) conducted a study on the topic “Impact of Microfinance on Living Standards, Empowerment and Poverty Alleviation of Poor People: A Case Study on Microfinance in the Chittagong District of Bangladesh”. The objective of the study is to show how microfinance works, by using group lending methodology for reducing poverty and how it affects the living standard (income, saving etc.) of the poor people in Bangladesh. From the study it was observed that there is a noticeable and positive impact of microfinance activities on the living standards, empowerment and poverty alleviation among the poor people in the society. If one can help, a poor person to stand on his own that cannot only bring about a revolution in their lives but also in the society. The dream of a healthy and educated society with no discrimination and biased can be achieved through this simple thought, the dream which seems to be coming true and becoming practical.

M.A. Lokhande (2008) in his work "Socio-economic impact of microfinancing through self help groups in Maharashtra Region observed that microfinance for micro enterprises can be one of the most effective poverty reducing instrument. The need of the hour is to promote more and more microfinance institutions and strengthen them so to provide more service to the needy poor people. These tiny business activities can be started mostly based on local resources. In order to give impetus to micro entrepreneurial activities by poor people in rural as well urban areas,

27 Mohammad Arifujjaman KhanMohammed Anisur Rahaman 2007 in their thesis “Impact of Microfinance on Living Standards, Empowerment and Poverty Alleviation of Poor People: A Case Study on Microfinance in the Chittagong District of Bangladesh” Umeå School of Business (USBE)

microfinance institutions should be promoted to provide adequate, regular microcredit to
the needy entrepreneurs. Microfinance programmes is the most promising strategic
weapon for attacking poverty by way of providing development funds to so far neglected
target groups.

Vinay Chandra in (2008) conducted a study on the topic “The Role Of Micro-
Finance In Sustainable Finance, Employment And Poverty Alleviation” A Study with
special reference to Kumaun. From the study it was found that Micro finance is an
intervention which has emerged in response to the need to address the challenge of
financial inclusion. Using strengths of social intermediation, NGOs so far have shown
considerable potential in contributing to the course where formal institutions have failed,
and therefore it has become necessary that NGOs are helped in overcoming their
constraints so that they are able to play the role of financial intermediation more
effectively. In Kumaun SHGs have been successful in achieving a high percentage of
Inter loan recovery as a result many SHGs linked with banks, were able to reduce the
transaction cost of Banks and there is a good amount deposited in the banks.

P. Mercy Kumari in (2009) conducted a study on the topic “Empowerment of
Women and Rural Development -A Study of Self-Help Groups in West Godavari
District”. The study concluded that the self-help movement in West Godavari District has
brought forth prospective fruits in the lives of the poor and very poor in the study area. It
has brought in positive changes in terms of social, economic, political aspects of the poor
women concerned. It has created awareness which has broadened their intellectual
capacities to take part actively in the decision making process at domestic and society
level as well as their sense of confidence and self-reliance have got improved. As a result,
women have become capable to encounter with the constraints that come across in their
way of development process. Moreover, their urge for their sustainable development has
given them strong hold to withstand against the obstacles and hindrances. Thus, the

29 Vinay Chandra 2008 in his thesis “The Role Of Micro-Finance In Sustainable Finance,
Employment And Poverty Alleviation” (A Study with special reference to Kumaun) Kumaun
university, Nainital, Uttarakhand, India

30 P. Mercy Kumari 2009 In Her Thesis “Empowerment Of Women And Rural Development (A
Study of Self-Help Groups in West Godavari District)” to Acharya Nagarjuna University
Nagarjuna Nagar
women of SHGs in the study area have attained empowerment in terms of socio-economic and politico-cultural aspects to a remarkable extent, especially in respect of decision-making process at domestic level with their predominant role.

R.Rathidevi (2009) conducted a Study On “Women Empowerment Through the Management Of Self-Help Groups With Reference To Dharmapuri District” The objective of the study was to Assess the socio-economic status of women beneficiaries in the study area and to examine the impact of employment and income generated for women The study concluded that SHG – Bank linkages is a successful step in providing access to finance to the rural needy people. The process has enabled a large number of people to engage in various income generating activities to challenge poverty. The programme indeed helped in improving the household conditions of the sample respondents as well as their knowledge and awareness about various issues. As a result of income generating activities taken up by women, family incomes had substantially increased. Apart from the economic changes, tremendous social changes are also evident from the study. Women began to command more respect, found due affection and a rightful place in the family. Their involvement in family decisions had been substantially enhanced. As a group, women had gained more confidence and power. The members are more assertive in confronting social evils and problem situation.

Stella Mary K. (2012) made a study on Micro Finance and Women Development: A Comparative Study on Socio-Economic Development of Self Help Group Women in Few Districts of Tamil Nadu Region. The study aims at doing a comparative analysis on socio-economic development of Self Help Group (SHG) women under four charitable Non-Government Organizations. It tries to identify the various factors responsible for successful functioning of the groups. It also tries to point out possible hurdles which hamper groups’ performance. The study concluded that the performance of SHGs varied from village to village, from districts to districts and NGOs to NGOs. Though there is a similarity in their vision and mission of the four Christian


32 Stella Mary K 2012 “Micro Finance And Women Development: A Comparative Study On Socio-Economic Development Of Self Help Group Women In Few Districts Of Tamil Nadu Region
Charitable Institutions (NGOs) but the functioning and working of SHGs differ from NGOs to NGOs. It shows that each NGO is unique in its own way of mobilizing women into this SHG programme, the way training and guidelines are given to women, functioning and working in four villages pertaining to the four districts of Tamil Nadu. Therefore each NGO worked or performed in the best of their ability to help the SHG women to be ‘self-sufficient and self-reliant’ person in the society.

S. Srimathi (2012) in her thesis “Economic Empowerment Of Women Entrepreneurs Through Self Help Groups – A Study (with special reference to Thiruvarur & Thanjavur Districts of Tamil Nadu State)“ Stated the objective to examine the self-help groups and its beneficiaries in Thiruvarur & Thanjavur Districts and identify factors contributing to success and failures of the self-help groups. From the study it was found that With regard to increase in income Tiruvarur rural and urban SHGs showed a significant difference in the levels of income before and after joining self-help groups. Economic motivation differs significantly in case of rural and urban self-help groups of Tiruvarur. The components of empowerment like, achievement motivation, risk taking ability, decision-making ability, management orientation and initiativeness had significant difference between rural and urban SHGs of Thanjavur. A comparative analysis of the group variables among urban SHGs of Thanjavur and Tiruvarur indicates that there was significant difference in the variables like group interaction, group motivation, need satisfaction, group goal achievement, transparency, interpersonal communication, group leadership, interpersonal trust and accountability.

Amith Roy (2012) conducted a study on the topic “The Economic and Social Impacts of Micro financing Poor through SHGs: A Case Study Of Karimganj District “. The objective of the study was to study and examine whether Socio- economic condition of SHG households has improved or not. by covering the analysis of income, asset base,

33 S. Srimathi – 2012 in her thesis “Economic Empowerment Of Women Entrepreneurs Through Self Help Groups – A Study (with special reference to Thiruvarur & Thanjavur Districts of Tamil Nadu State)"

34 Amith Roy 2012 “The Economic And Social Impacts Of Microfinancing Poor Through Shgs: A Case Study Of Karimganj District”
occupation diversification, new earning, transaction with banks, production practices adopted, saving, livestock and unforeseen crisis management experiences of SHG members and households, health, education, food security, access to drinking water and improvement in housing condition, status of women (bargaining power, time and money management) decision making and political participation. The results indicated that there is a positive growth in all the socio-economic indicators vis-a-vis in the income, assets value, banking linkages, livestock, ability to fight against unforeseen crisis, improvements in housing condition, sanitation facility, having electricity, uses of LPG for cooking etc. of the SHG participated households due to the participation in SHG micro-enterprises. The factor analysis result indicates that there is a tremendous improvement in the empowerment level of the women SHG members due to participation in SHG. The Women empowerment is considered here as a function of a set of attributes in the form of decision making, participation and position.

Jaskiran Kaur (2012)\(^{35}\) in her study on the topic "Microfinance And Women Empowerment: A Study Of Punjab" attempts to examine the impact of microfinance with respect to poverty alleviation, employment generation and women empowerment and concluded that awareness of the members about different processes and activities was considerably to a satisfactory extent, but there is still a broad scope of further increasing the awareness of members. The availability of basic services to the members was considerably to a satisfactory extent, but there is still a broad scope of further increasing the availability and access to the basic services. There was the strong opinion of members that savings were made for agriculture and food security. There was a very weak opinion in favour of that savings were made for social security, education, medical, social ceremonies, emergencies assets building and IGA.

A Study was conducted by sonu gupta in (2014)\(^{36}\) on the topic “Microfinance Delivery: Challenges and Innovative Strategies of Microfinance Institutions of

\(^{35}\) Jaskiran Kaur 2012 in her thesis “Microfinance And Women Empowerment: A Study Of Punjab”

\(^{36}\) Sonu V Gupta 2014in her Thesis entitled” Microfinance Delivery: Challenges And Innovative Strategies Of Microfinance Institutions Of Ahmedabad And Gandhinagar City”
Ahmedabad and Gandhinagar City “ The study came out with following findings that the challenges faced by the MFIs are High cost of funds and financing; Marketing i.e. disbursement and collection of credit services by the MFIs leads to high cost of information; High cost of operations leads to operational issues; Inefficiency in information sharing as MFIs fails to communicate with one another leading to high risk and susceptibility of the indebted; Lack of physical infrastructure which can promote more and innovative profitable ventures; Lack of proper regulatory mechanism; Low levels of technical expertise and entrepreneurial knowledge and Credit for non-productive and consumption purposes. Despite of the problems faced by the MFIs, there is no doubt that the model has enough potential to resolve some of the burning problems the country on the whole is facing i.e. imbalanced growth between privileged and underprivileged. The challenge, therefore, is to look beyond the present limitations and opportunities and execute plan which could make MFIs a vehicle to drive and deliver for all section of the society.

Mallappa bhimarayya (2014) conducted the work on the topic” Microfinance interventions & poverty reductions-evidence from Gulbarga” in Kalaburagi district. He said that there is sizeable increase in the number of SHG’s working in the study area. The empirical results showed that the very poor also started to save small amount of money. there is a striking improvement of income of respondents after joining SHG’s as they were engaged in activities like dairy, poultry, and other petty businesses. The study shows that microfinance market in the block is still a supplier’s market and the demand aspects are not so still strong till now to influence the lenders preferences and credit limits. The study shows that there are no economic activities which generate the returns of more that 36% annually and hence even the SHG members are vulnerable to debt traps.

Akram basha (2014) conducted a study on the topic” Microfinance vis-a-vis a women empowerment-A Study with special reference to SHG’s working in Davangere

37 Mallappa bhimarayya (2014) thesis on the topic” Microfinance interventions & poverty reductions-evidence from Gulbarga” in kalaburagi district

38 Akram basha S B 2014 in his thesis Microfinance vis-a-vis a women empowerment-A Study with special reference to SHG’s working in Davangere District”.Gulbarga university,Kalaburagi.
District”. The study concluded that Training imparted to SHG members developed and built the self-respect, Self-esteem and self-confidence of the beneficiaries. The socio economic condition of the members has been significantly improved as compared to before participating in SHG. In a nutshell, It is perceived that SHG’s in sample area have tremendously helped for the empowerment of rural women in Davangere District.

2. Review of Articles.

Batliwala (1995)\textsuperscript{39} identified in her study on "Empowerment of women in south Asia" that there are three approaches to women's empowerment: (i) the integrated development approach which focused on women's survival and livelihood needs; (ii) the economic development approach which aimed to strengthen women's economic position and (iii) the consciousness approach which organized women into collectives that address the sources of oppression.

Mayoux (1997)\textsuperscript{40} argues that the impact of microfinance programmes on women is not always positive. Women that have set up enterprises benefit not only from small increases in income at the cost of heavier workloads and repayment pressures. Sometimes their loans are used by men in the family to set up enterprises, or sometimes women end up being employed as unpaid family workers with little benefit. She further points that in some cases women’s increased autonomy has been temporary and has led to the withdrawal of male support.

Kaladhar K (1997)\textsuperscript{41} has studied the design, structure and governance of microfinance in India. The study reveals that the outreach of microfinance programmes has been increasing over the years through the help and assistance from SEWA, NGOS, IRDP programmes, co-operative banks and commercial banks. Banking sector reforms

\textsuperscript{39} Srilatha Batliwala, 1995 “Empowerment of women in south Asia”

\textsuperscript{40} Linda Mayoux Review of key issues “Micro-finance and the empowerment of women”

have tried to remove some of the imperfections, which are dealt in by institutional economics.

Cheston (1999)\(^{42}\) in the study titled, “Measuring Transformation: Assessing and Improving the Impact of Microcredit” examined the user for impact measurement tools that incorporate financial measures and indicate transformation i.e., deep rooted changes in the lives of individuals or communities among clients. The study highlighted the problems with measuring impact, including issues of financial rigidity, cost and expertise of the field. The study concluded that microfinance practitioner should measure impact in order to determine whether microcredit institutions have met their stated purpose of alleviating poverty.

Narashimhan Sakuntahala (1999)\(^{43}\) in her article on topic ‘Empowering women an Alternative Strategy from Rural India’ has made use of secondary data to arrive at meaningful conclusions. The main objective of the study was to assess the effectiveness of alternative strategies of development and empowerment of women particularly of poor women from socially disadvantaged groups. The study suggests that instead of economic intervention, it is worth to create awareness among women. The study also reveals that in every area of empowerment, acquiring necessary knowledge and skill will play more effective role.

N. Manimekalai and G. Rajeswari (2000)\(^{44}\) in their study " Empower of women through self help groups", analysed the women self help group formed by the non-Governmental organizations in the rural area of Tiruchirappalli District for the purpose of promoting rural women through self-employment. The Non-Government Organization namely, Society for Education and Village Action and Empowerment (SEVAE) has been working in 362 villages and helping a total of one lakh women beneficiaries consisting of


different avenues of self employment like, petty businesses, processing, production and service units.

Laxmi Kulshrestha (2000)\textsuperscript{45} in her paper Microfinance : The New Development Paradigm for poor Rural women, points out that the lack of capital is a serious constraint to the development of rural women. Often, the barriers like legal provisions, loan policies and procedures make credit inaccessible to women. Studies have shown that credit can help women to take up farm-allied activities and the income generated from credit given to women can be expected to be spent for well being of the household. This novel innovative approach of microfinance emphasizes financial intermediation with self-sustainability of institutions.

A.P. Sebastian Titus (2000)\textsuperscript{46} in his study, "Promotion of women empowerment through self help groups", examine the promotion of women entrepreneurs through self help groups. According to him, the women entrepreneurs who have started small enterprises expand them into large scale units. Self help groups have made readymade garments and export them. A women self help group in Dindigal district run a unit providing agro services with a total turnover of Rs. 12 lakhs or more per annum. But most of the other self help groups are not able to reach up to the expectations. Some of the reasons cited were non availability of funds for investment, dearth of technical and managerial skills, inability to manage the labour force, dual role burden, lack of professionalism, gender bias and the like.

Bose (2000)\textsuperscript{47} in his article “Empowerment of Women, How and When?” focusses on the efforts on awareness generation and advocacy of women’s rights and duties in India. He argues that women’s empowerment programmes are still inadequate in combating the exploitation of women. Educating women to empower themselves,


individually and collectively is proposed as an effective method of addressing ‘gender issues’ based on a case study of women’s empowerment in Bangladesh.

Ramana Rao (2001)\textsuperscript{48} in his article on the topic “Micro Finance and Women Empowerment Through Self Help Groups”, Guntur for women development” provides a fund of knowledge on matters connected with micro finance and women empowerment through Self-Help Groups and presents the facts of micro-finance in India addressing the gender question. He reviews the impact of financial reforms and the performance of rural credit structure in India. His study also focuses on the limitations of group strategy and presents recommendations for improving rural credit vis- a-vis Self-Help Groups in terms of women’s empowerment.

Jaya S. Anand (2002)\textsuperscript{49} had a Discussion Paper on the topic” Self-Help Groups in Empowering Women: Case study of selected SHGs and NHGs” The objective of the study was to evaluate the performance of selected SHGs and NHGs, their impact on women empowerment and to identify the extent to which the factors required for the successful functioning of the groups are present and in what ways they are influencing the performance of groups. It was observed that both external and internal factors play an active role in making the groups self-reliant. When the roles of the co-ordinator and the promoting agency were identified as the most important external factors, it was the group leaders who determined the pace of growth of the group in the long run. One major impact of SHGs promoted by the Grameen Bank on the women members has been the creation of awareness about newer economic opportunities available to women and the abilities needed to tap them. All the groups have taken up individual economic activities; but group activities are very few.


\textsuperscript{49} Jaya S. Anand 2002 Discussion Paper No. 38 Self-Help Groups in Empowering Women: Case study of selected SHGs and NHGs Kerala Research Programme on Local Level Development Centre for Development Studies ,Thiruvananthapuram
Om Raj Singh (2003)\textsuperscript{50} analyzed the role of NGOs in fostering Self Help Groups and stated that Self Help Groups are necessary to overcome exploration, create confidence for the economic self-reliance of rural poor, particularly among women who are mostly invisible in the social structure. These groups enable them to come together for a common objective and gain strength from each other to deal with exploitation. A group becomes the basis for action and change. It also helps building of relationship for mutual trust between the promoting organization and rural poor to constant contact.

Prasant Sarangi (2003)\textsuperscript{51} observed SHGs in Orissa state and reported that the Self Help Groups (SHGs) in our country have become sources of inspiration for women welfare. Now-a-day, formation of SHG is a viable alternative to achieve the objectives of rural development programmes. SHG is also a viable organized set to disburse micro-credit to the rural women and encouraging them to enter into entrepreneurial activities.

Archana Sinha (2004)\textsuperscript{52} in her article, "micro finance for womens' Empowerment: A perspective", puts forward a debate on microcredit for discerning policy makers researchers and development practioners. She says that understanding the viability of microfinance requires a comprehensive analysis from the right perspective. Micro finance can contribute to solving the problem of inadequate housing and Urban services as an integral part of poverty alleviation programmes. The challenge lies in finding the level of flexibility in the credit instrument that could make it match the multiple credit requirements of the low income borrowers without imposing unbearably high cost of monitoring its end use upon the lenders. According to her a promising solution is to provide multiple purpose loans or composite credit for income generation, housing improvement and consumption support.

\textsuperscript{50} Om Raj Singh (2003) "Role of NGOs in fostering Self-Help Groups, Rural Empowerment through SHGs, NGOs, PRIs", Deep and Deep publication, New Delhi.


\textsuperscript{52} Archana Sinha, “Micro Finance for Women's Empowerment: A Perspective”, Kurukshetra, April 2004, pp. 31-38.
Das and Rimjhim Mousuni (2004)\(^5\) in their article concluded that micro finance has now become a economical weapon for the poor to fight against poverty. Many big and small institutions are taking part in this revolution of microfinance vigorously. Still it has a long way to become successful. Many programmes from Gareebi Hatao to IRDP were started by the government enthusiastically but they were not able to achieve their objectives. The reason behind this is poor follow up, lack of management and participation from the government as well as people. No programme can ever get its ultimate result unless and until there is co-ordination and cooperation between the government and the beneficiaries.

Naila Kabeer (2005)\(^5\) in her article on the topic “Is Microfinance a ‘Magic Bullet’ for Women’s Empowerment? Analysis of Findings from South Asia” examined the empirical evidence on the impact of microfinance with respect to poverty reduction and empowerment of poor women. From the study it was clear that while access to financial services can and does make important contributions to the economic productivity and social well-being of poor women and their households, it does not “automatically” empower women – any more than do education, political quotas, access to waged work or any of the other interventions that feature in the literature on women’s empowerment. There are no magic bullets, no panaceas, no blueprints, no readymade formulas which bring about the radical structural transformation that the empowerment of the poor, and of poor women, implies. These various interventions are simply different entry points into this larger project, each with the potential for social transformation, but each contingent on context, commitment and capacity if this potential is to be realized.

K. Manoharan Nair and Girija (2005)\(^5\) in their article, "Microfinance - The New Development paradigm for poverty eradication and women empowerment", state that experience has shown that many of poverty alleviation programmes through organized credit channels have not achieved the required success. Hence to bridge the gap between


\(^{54}\) Naila Kabeer (2005) Article on “Is Microfinance a ‘Magic Bullet’ for Women’s Empowerment? Analysis of Findings from South Asia”.

the demand & supply of funds in the lower rungs of rural economy, the microfinance schemes of NABARD have made a smooth foray into the role played by microfinance in eradicating poverty and empowering women to manage the enterprises.

Niaz Hussain Malik and Muhammad Luqman (2005)\textsuperscript{56} in their review paper on the topic “Impact Of Micro Credit On Women Empowerment: A Review Paper” from the previous research studies it was concluded that micro finance and micro-credit programmes had the potential and powerful impact on women's empowerment. Although these were not always empowering all women, most women did experience some degree of empowerment because it was a complex process of change experienced by all individuals somewhat differently and varied from culture to culture. Micro-credit programmes had both positive and negative impacts on women's empowerment and eradication of poverty throughout the world. The positive ones were enhancement in women's ability to influence family affairs and decision making; increased self-confidence; improve their status, increased gender relations in the home and reduction in domestic violence; improve status within the community and accelerate economic empowerment. On the other hand negative impact of microcredit was of highly restrictive environment for women along with the increased workload and responsibilities as a result of their involvement in income generating activities other than their traditional responsibilities.

M. Soundarapandian (2006)\textsuperscript{57} in his paper, analyzed growth of SHGs and the role of microfinance in developing the rural entrepreneurship and he further suggested that though there is a positive growth rate of SHGs in states but in terms of SHGs, there is a wide variation among states. Linkages of banks with SHGs is found impossible for this variations

\textsuperscript{56} Niaz Hussain Malik and Muhammad Luqman Impact Of Micro Credit On Women Empowerment: A Review Paper Pak. J. Agri. Sci., Vol. 42(3-4) 2005

Banumathy (2006)\textsuperscript{58} has explained in her article “Self Help Groups and Bank Linkages” that the initial role played by the SHGs, prompted the NABARD to venture linkage of the SHGs with the banks in February, 1992. She has also stated that the RBI has advised banks to initiate action for the adoption of the SHG village program as a part of the corporate strategy,

Ranjula Bali Swain and Fan Yang Wallentin (2007)\textsuperscript{59} worked on paper does microfinance empower women? Evidence from Self Help Groups in India. The results strongly demonstrated that on average, there is a significant increase in the women empowerment of the SHG members group. No such significant change is observed, for the members of the control group. The elegance of the result lies in the fact that the groups of SHG participants show clear evidence of a significant and higher empowerment, while allowing for the possibility that some members might have been more empowered than others.

Preeti Sharma and Shashi Kanta Varma (2008)\textsuperscript{60} in their article Women Empowerment through Entrepreneurial Activities of Self Help Groups found that Self Help Groups (SHGs) have been successful in empowering rural women through entrepreneurial activities. Increase in income, expenditure and saving habits of rural women were observed. The SHGs had major impact on social and economic life of rural women. The study also revealed an increase in social recognition of self, status of family in the society, size of social circle and involvement in intra family and entrepreneurial decision making. There was an increase in self confidence, self reliance and independence of rural women due to the involvement in the entrepreneurial and other activities of SHGs.


\textsuperscript{60} Preeti Sharma and Shashi Kanta Varma (2008) Article on” Women Empowerment through Entrepreneurial Activities of Self Help Group”
M.A. Lokhande (2009)\textsuperscript{61} in his paper, "Microfinance Initiatives in India", microfinance programme has a significant role to play in Indian economy for boosting micro entrepreneurial activities for creating productions assets coupled with employment generation. So, in order to cover all the poor households, particularly BPL households there is need for providing full support to the government financial institutions and NGOs SHGs programme. So for the SHGs bank linkage programme has been much successful in achieving quantitative targets. The need of the hour is to match the programme more qualitative, that is enriching to lives of poorest of the poor in the context of globalized socio-economic environment. Political interference the functioning of self help group should be avoided. Women groups should be given responsibility of running Anganwadi, fair price shop so that they become a permanent entities. The banks and the respective NGO should nourish and develop the SHGs by providing financial assistance, organizing skill based training programmes in rural as well as semi urban areas.

Rao, Jitendra Ahir (2009)\textsuperscript{62} in his article - "Rural women empowerment through microfinance", concluded that small loans can make good business sense among the women. It has been noticed that women in particular stand to gain a lot from microfinance because it gives them on independent means of generating wealth and becoming self reliant in a society.

A. Saraswathy, S. Porkodi and M. Bhuvaneswari (2009)\textsuperscript{63} in their work - Microfinance in Krishnagiri District : A tool for poverty alleviation studied that microfinance has been recognized as a powerful instrument to address poverty. Apart from the scorching pace of growth, the rapid spread of microfinance (MF) has provided competition, to rural moneylenders. In view of the grand success of the programmes now

\begin{footnotesize}


\end{footnotesize}
SHGs are at center stage in almost every poverty alleviation programmes and development programmes aimed at poor. SHGs have become the development ambassadors of villages and they symbolize the growing face of rural India. The microfinance sector like the information technology (IT) sector has grown rapidly and in many ways, creativity. The experience of many MFI so far strongly suggests that it is possible for these institutions to reach the goal of serving people in extreme poverty without having to sacrifice their profitability. MF is intended for the enlistment of poor farmers, shanty dwellers, jobless youths, women and deprived strata of society.

Gurmeet Singh (2009) in his paper, "Microfinance - A Innovation Rural credit system" studied that. In march 2001, 71% of the linked SHG, were from southern region consisting of Andhra Pradesh, Karnataka, Kerala & Tamil Nadu. The share of southern region has come down progressively over the years but is still at 44%. Many states such as Uttar Pradesh and Bihar with high incidence of poverty have shown poor performance under programme. So it is finally clear that the role of micro finance institutions is very important in Rural development & poverty eradication. It is in this context that one needs to appreciate the role played by microfinance institutions, Government, NGOs and social organizations.

Lakshmi Ramachandar and Pertti J. Pelto (2009) in their article self-help groups in Bellary: microfinance and women’s empowerment found that 30 percent of SHGs in the sample have been involved in community action. These involved: improving community services for the actions, including water supply, education, health care, veterinary care, village road, trying to stop alcohol sale and consumption, contributing finance and labor for new infrastructure, protecting natural resources and acts of charity (to non-members). These were all actions by SHG women which represented some degree of agency by women, in terms of decision-making and enhancing women’s contribution to the community in a way that goes beyond traditional gender roles.

---


Kamaraju (2009)\textsuperscript{66} has mentioned in his article “Self Help Groups Emerging Rural Enterprises” that in rural areas the SHGs utilized the loan for purchasing milch animals, goat and for meeting personal urgent needs. Some SHGs have purchased power tillers for agriculture purpose on hire basis. Investment in power tiller will increase their income both individually and collectively. Hiring out power tiller to peasant is an important entrepreneurial activity of self help groups. He also indicated that the self help groups should function as a non political and non controversial one. Political and religious neutrality paves the way for their healthy growth. He has also expressed that the SHGs gain momentum now-a-days, because of its many fold effort in the economic empowerment of poor women

Jaya Mehra, Sandhya Choudhary, N.K. Punjabi and K.L. Dangi (2010)\textsuperscript{67} conducted a study on the topic role of self help groups in empowerment of rural women in Indore block of Madhya Pradesh. The study was conducted on 80 SHG members of four village of Indore block of Indore district M.P, with the objectives to know empowerment of women through SHG and to explore income generated activities initiated by SHG members and associated problems. Findings indicated that SHGs helped in empowerment of women by implanting them financial position, decisions pertaining to general welfare of the family influence over political activities and their own development. The SHG members have also adopted income generating activities promoted by banks.

Reeta Rautela, Gaurao Pant and Other (2011)\textsuperscript{68} in their study - "Microfinance - A New mantra for rural development", concluded that microfinance is a powerful tool for poverty alleviation and development. In order to declare microfinance success in India, not only do tens of millions of more people need to be reached but those services must have a transformational impact on their lives and those of their family members. For that


\textsuperscript{67} Jaya Mehra Sandhya Choudhary ,N.K. Punjabi and K.L. Dangi (2010) Article on “role of self help groups (shgs) in empowerment of rural women in indore block of Madhya Pradesh”

considerable work and continuous efforts are needed to diversify the service of funding for microfinance to attract more foreign investments for well established microfinance institutions (MFIs), to use all the possible channels to serve more rural and urban poor, to develop its staff as more productive and professional to make it more poverty-focused and profitable.

An Empirical study in Pondicherry region was conducted in the year sep (2011) by S.Sarumathi and Dr.K.Mohan On the topic role of micro finance in women’s empowerment The objectives of the study was to analyze the freedom women members get in SHG’s and to analyze the empowerment of the women psychologically, economically and socially .The study concluded that microfinance brought psychological and social empowerment than economic empowerment. Impact of micro finance is appreciable in bringing confidence, courage, skill development and empowerment. The SHG members feel free to move with their groups and leaders. It leads them to participate on various social welfare activities with good co operation. It also improved the literacy level of rural women & awareness on children education to high level of respondents.

Ferdoushi Ahmed, Chamhuri Siwar and Nor Aini Hj Idris (2011) in their article “Role of Microcredit Programme to the Socio-economic Development and Poverty Alleviation among Rural Women in Bangladesh” attempted to discuss the relationship between microcredit, income generating activities, awareness and women empowerment and also highlights to review the existing evidence on the role of microcredit programme in developing socio economic status as well as poverty alleviation. The study concluded that microcredit programme is an important part to the economic well being of the rural poor women. It is not only to improve their economic situations, but also a highly empowerment one. Microcredit is closely related to a number of issues such as enhance

---


income, raise awareness, women empowerment and other socio-economic factors. It is also concluded that providing small loans is considered one of the most effective tools in poverty reduction. However, supply of credit is increasingly being looked upon as a significant contribution to upgrading quality of life of the rural women. Therefore, microcredit is an important instrument in assisting the rural poor to improve their social position as well as poverty alleviation.

A Study was conducted on the topic ‘Rural Development through Microfinance, MGNREGA and Women Empowerment” by Madhusmita Kanungo in the year (2012). The paper discusses the concept and framework of microfinance it analyses the role of microfinance in context of rural development. Microfinance is a step forward and micro model towards eradication of poverty and rural development. Therefore, micro finance and implementation of provisions of MGNREGA are two sides of inclusive growth and rural development. Micro finance is based on framework at the grass root level to generate income and employment for the rural poor and support and sustain rural development Implementation of MGNREGA and Micro Finance schemes have given rise to alertness among the rural poor and rural women on a continuous basis for their all round development to support a faster and sustainable growth of rural sector in the State.

Sanjay Kanti Das (2012) conducted a study on the topic “Micro Finance and Women Empowerment: Does Self Help Group Empowers Women? In this paper, an effort is made to analyse the meaning of the term ‘empowerment’- its different concepts, issues and indicators. Further, efforts are also taken to examine the influence of membership of SHGs and gender inequality, to access the involvement of SHG member in decision making in the family and to study membership of SHGs and improvement of women position in the patriarchal family system in the study area and finally, to study the relation of SHG members and development of leadership qualities. It is observed from

---

71 Madhusmita Kanungo  Rural Development Through Microfinance, MGNREGA and Women EmpowermentOdisha Review September - 2012

the study that impact on decision making pattern i.e. participation ranks first followed by power element i.e. economic empowerment. Building of awareness and capacity ranks the third while the Indicators of ‘Entitlement’ ranks fourth and so on. Therefore it is obvious that SHG have a positive impact on women members particularly in empowering them. In fine Self Help Groups is undoubtedly considered as an empowerment model.

Vidhi Kotahwala, (2012)\textsuperscript{73} in her work on the topic “microfinance in india and how it empowers women” focused on microfinance in India and its impact on the poor. She highlighted that the movement of microfinance was growing all over the world. Microfinance has made many strides in India, helping mostly women and the rural poor but also some urban poor. Indian women lack basic rights and have a lower status in Indian society compared to men. This study also focused on the benefits gained from microfinance, financially and non-financially for women. The small loans helped women start and run small businesses, where they were able to make money. The benefits of microcredit were more than monetary. Women gained a voice and became independent; they gained knowledge and awareness. Females gained more mobility by working with other women. They learned about their rights and how and why they should voice their opinions.

S. Pratibha (2012)\textsuperscript{74} in an article on “empowerment of women through SHG’s in India” said that SHGs have played an important role in the empowerment of women socially, economically and politically and are thus recognized as powerful means for the economic development of the country. Though the development is in a slow pace it has significant impact on the society. The prime aim of movement of SHG is to elevate the status of women economically and socially by fulfilling their financial needs. The movement of SHGs has provided answers to all these problems. With the participation of women in SHGs many financial needs of women are solved.

\textsuperscript{73} Vidhi Kotahwala, B.A.in her thesis “ Microfinance In India And How It Empowers Women “ Georgetown University Washington, D.C. November 1, 2012

\textsuperscript{74} Pratibha S 2012 Empowerment of women through shgs in India International Journal of Physical and Social Sciences Year : 2012, Volume : 2, Issue : 4
Mrs. M. Shanthi & Dr. R. Ganapathi (2012)\textsuperscript{75} conducted a study on “Impact of Micro Finance towards Empowerment of Women Self Help Groups with Special Reference to Coimbatore District” The study mainly focuses on women empowerment on education, income generating activities and also empowerment strategies for socially and economically vulnerable sections of women with the objective to assess the role of micro finance towards the empowerment of SHGs. The study came out with following suggestions that the government should come forward to provide minimum entrepreneurship program through District Industries Centre. This may pave the way for practical and technical training in new areas. Natural talents, aptitudes, capabilities can be multiplied through training programs to develop self-confidence, self-esteem, assertiveness, courage and risk. The Government, the NGOs and the financial agencies should help the SHGs in selecting the projects or the ventures. Depending upon the local condition, availability of raw materials and other factors they can advice the SHGs to select the feasible and profitable ventures. Ideas of the SHGs should be scrutinized with the help of management experts before the venture is finalized.

A Study on the topic ‘Does Microfinance Empower rural women? –A Emperical study in Udaipur district Rajasthan’ was conducted by Dr Dhiraj jain & Ms Bhagyashree jain in (2012)\textsuperscript{76}. The main objective of the study was to evaluate the empowerment of rural women in Udaipur district as a result of participating in microfinance programmes. The result from the study strongly demonstrated that on an average there is a significant increase in women empowerment of the self help groups members. However social backwardness, indebtedness & presence of microcredit programmes in the same or nearby villages have a significant influence on women’s participation in this programme.

\textsuperscript{75} M. Shanthi  Dr. R. Ganapathi (2012) Impact of Micro Finance towards Empowerment of Women Self Help Groups with Special Reference to Coimbatore District Prestige International Journal of Management & IT- Sanchayan

Shihabudheen N (2012)\textsuperscript{77} in his article “Role of Micro Enterprises in Women Empowerment: An evidence from a Field Study of Kudumbashree Units in Ernakulam District in Kerala” looks into the role of micro enterprises in women empowerment by taking the specific case of micro enterprises functioning under ‘Kudumbashree’ – the flagship poverty alleviation project sponsored by Government of Kerala. From the study it is noted that micro enterprises significantly enhances the individual and family empowerment of rural women by ensuring freedom to spend and save earnings. Simultaneously, it improves the confidence to promote own micro enterprises and also inspiration to undertake risk. These facts, when considered together points to the logical conclusion that suitable credit facilities if extended to interested “Kudumbashree” micro entrepreneurs, they can come up with their own individually managed micro enterprises meaningfully.

A Research Paper was published in the year (2012)\textsuperscript{78} by Dr. Vimal K. Bhatt, Amit B. Patel and Jatin K. Modi on the topic “A Study of Change in the Lives of Women Availing the Services of Micro-Finance” In this paper an attempt has been made to analyze the effect of micro finance on women empowerment by analyzing the lives of the women before and after availing the microfinance. Total of 120 women were involved in the study and was found that the financial and non financial support provided, has helped them to a great extent. Their income levels have increased considerably which has led to improvement in their standard of living. Women also feel that their importance in the society has increased and they became financially more independent. The investigation reveals that there are lot of changes in the lives of the women particularly as a resultant of access to microfinance facility. But there are lot of avenues where government can help SHGs and help the overall development of women. Initiatives from the community or


society will also help empower the women by removing the gender bias and establishing gender equality.

A Study was undergone on Status Of Microfinance In India - A Review In (2012)\textsuperscript{79} By Padmalochan Mahanta, Gitanjali Panda and Sreekumar . The objective of the study was to assess the growth of microfinance in India it discusses the role played by NABARD and other National Banks in growth of SHGs and Grameen Bank with the role of government in framing legislation for protection of right of micro borrowers with the need for a regulatory body to regulate, develop and guide the numerous MFI s and NGOs who work in the field of microcredit. The study concluded that with passage of time new opportunities and new challenges are being felt in the field of microfinance. But in recent years microfinance is in news for bad reasons. There are a number of suicide cases of microcredit clients all over India for excess interest charges and high handedness of recovery agents in recovery of loans. So, government of India has brought out a legislation to check the high interest rate on micro credit and protect the poor from clutches of greedy MFI s. Government of India introduced Micro Finance Institutions (Development and Regulation) Bill 2012 on May 22, 2012 to establish a regulator under RBI to regulate and supervise the activities of NGOs and MFI s.

Miss. Chandan Medatwal conducted a study in (2013)\textsuperscript{80} on the topic “Role of Microfinance in Empowerment of Women: A Study of Selected Experiments in Rajasthan” The study is based on the data collected from 50 women members participating in microfinance schemes, based on profile consisting poverty level, age education, caste, type of land holdings, income, expenditure and savings. The main Objective of the study was to analyze the contribution of microfinance initiatives in the area of women empowerment in Hadoti region. The study concluded that microfinance has benefited the women members to enhance their role in society, decision making,
mobility and economic empowerment. In general the attitude towards microfinance is positive and has made a significance difference for women’s' empowerment.

Ms. j. Pavithra and mr. k. c. Narayana (2013) \(^{81}\) in their article women empowerment through self help group with special reference to multipurpose co-operative society bank in Yalagiri (Vellore) District the study was conducted to examine the socio-economic status of rural women and it was found that the SHG group members of Yalagiri (Vellore) District avowed strongly their perception on preferring women employees instead of men which leads to the overall individual development of group members. Besides this, they asserted easy marketing of their products as a group for which the members actively impart innovative marketing ideas. Members expressed their agreement in the tremendous growth of their business in another five years’ time. They were also affirmative in getting financial assistance from the banks for the future expansion of their business.

In (2013) \(^{82}\) Murlidhar A. Lokhande in his study Microfinance for Women Empowerment - A Study of Self-help Groups-Bank Linkage Programme inferred that group association and access to financial services certainly brings positive changes among group members leading to their socio-economic empowerment. After joining the groups, the monthly average income and savings of the respondents had shown increase by 13.73 per cent and 76.27 per cent respectively. The confidence level of the respondents had increased to a great extent. They had reported active participation in socio economic activities. The study concluded that poor, discriminated and underprivileged women if join the groups, can come out of poverty. So, conducive environment is needed to be created in the country to give boost to women self-help groups.


\(^{82}\) Murlidhar A. Lokhande Micro Finance for Women Empowerment - A Study of Self-help Groups-Bank Linkage Programme International Center for Business Research Issue Volume 2 – Apr 2013
Kappa Kondal (2014)\textsuperscript{83} published an article on the topic “Women Empowerment through Self Help Groups in Andhra Pradesh, India” The main objective of this paper was to measure the Impact of Self Help Groups on Women Empowerment in Gajwel Mandal of Medak District in Andhra Pradesh. The study justifies the greater role played by the SHGs in increasing empowerment of women, by making them financially strong, as well as it helped them to save amount of money and invest it for further development. It is also found that the SHGs created confidence for social, economic self-reliance among the members. It develops the awareness programmes and schemes, loan policies etc. Hence there is a positive impact of Self Help Groups on Women empowerment in Andhra Pradesh.

Dr S Chitra devi (2014)\textsuperscript{84} in her article on the topic “Study on Women Empowerment of women in self help groups in Chennai” identified certain problems by saying that there is non –cooperation among the members that make others in the group to suffer. And also Women expressed that the strict repayment schedule made some members to borrow from informal sources with higher interest rates. They also said that there is lack of self confidence to start any enterprise nor to approach any bank for assistance.

An article was published by T M Murugesh and B Vijaya in (2014) \textsuperscript{85} on the topic “Performance of Shgs Bank Linkage Programme in Gulbarga District of Karnataka” In this paper the effort has been made to evaluate the SHGs Bank Linkage programme in Gulbarga District and also to know the performance of different financial institutions in SBLP in Gulbarga. It was observed that SHGs Bank Linkage Programme has emerged as more effective Micro-finance Programme in Gulbarga district. Under this programme for every 1000 households 83 houses are involved and utilizing the Microfinance facilities from the formal banking system. Thus, it can be concluded that


\textsuperscript{84} Dr s chitra devi(2014) Article on “ Study on empowerment of women in shg in rural part of Chennai

SBLP programme contributes substantially in pushing the conditions of the ‘unreached poor’ up and through that chip in poverty eradication well in Gulbarga District.

Dr. Anshu Tyagi (2015)\textsuperscript{86} in her article “Micro Finance in India for Poverty Reduction” argued that microfinance can be considered an important element for an effective poverty reduction strategy. It shows that access and efficient provision of microcredit can enable the poor to smooth their consumption, manage their risks better, gradually build their assets, develop their micro enterprises, enhance their income earning capacity and enjoy an improved quality of life. Microfinance services can also contribute to the improvement of resource allocation, promotion of markets, and adoption of better technology. The paper concluded that Accessing small amounts of credit at reasonable interest rates gives poor people an opportunity to set up their own small business. When poor people have access to financial services, they can earn more, build their assets, and cushion themselves against external shocks. Poor households use microfinance to move from everyday survival to planning for the future: they invest in better nutrition, housing, health, and education.

Dr. N. Gangisetty\textsuperscript{87} conducted An Empirical study in Madanapalle rural area SHG’s on the topic women empowerment- role of micro finance. The objective was to study the functioning of SHGs in Madanapalle Mandal area and to know the freedom of women that they enjoy in SHG the study concluded that microfinance brought some changes in lives of rural women like psychological and social empowerment than economic empowerment. It is appreciable thing that there is an impact of micro finance in developing inborn qualities of women like confidence, courage, skill etc. The SHG members are freely moving with their group members and leaders and also with officials. It helped a lot them to participate in various activities with good zeal and enthusiasm.


\textsuperscript{87} Dr. N. Gangisetty Women Empowerment- Role Of Micro Finance -An Empirical study conducted in Madanapalle rural area SHG’s, IOSR Journal of Economics and Finance (IOSR-JEF) e-ISSN: 2321-5933, p-ISSN: 2321-5925 PP 69-76
Lakshmi and Vadivalagan in their article impact of self help groups on empowerment of women: a study in Dharmapuri district, Tamilnadu addressed women empowerment through self help group. The study shows that the main reason for joining SHG is not be merely to get just credit, it in an empowerment process. After joining the self help group the women are economically and socially empowered. The results also indicate that to raise status in society is the prime reason for respondents joining the SHG, followed by to promote income generating activities.

Dr C. Nirmala in her article “Micro finance a boon to women empowerment” analysed the women empowerment through micro financing in their needs, sustainability and constraints, in a nut shell, it was pointed out that micro finance has contributed considerably for the empowerment of women. They are highly empowered in their family. However, their empowerment in the community, government authorities and economic aspect is only medium. Their family members understand co-operate with them. They are able to get the work done easily in government authorities and they were able to save and spent more for their children’s education. However, they find it difficulty get permission to go out, less recognition in the community, lesser participation in government programmes and there is not much improvement in their asset position.

Farzaneh Shaikh Khatibi and M. Indira in their article Empowerment of Women through Self Help Groups and Environmental Management: Experiences of NGOs in Karnataka State found that Women’s Self Help Groups (WSHGs) have encouraged in saving money and the increase in income has allowed the poor women to be able to prioritize their requirements and to fulfill them. The NGOs involved the SHGs in many training programs and it also facilitated the learning of generic skills such as

---


89 DR C. Nirmala (2012) in her article on the topic” Micro Finance A Boon To Women Empowerment” Excel International Journal of Multidisciplinary Management Studies Vol.2 Issue 1, January 2012, ISSN 2249 883411;1(2)43-54

bookkeeping. This allowed women to change from being wage workers to being self-employed. Women have also gained the option to pursue two or three petty businesses, to change from one type of business to another, and to combine wage employment with small business. It has increased their entrepreneurial skills.

Linda Mayoux\textsuperscript{91} made a review of the key issues on Micro-finance and the empowerment of women. The paper aims to clarify the issues within the context of the debate as some researchers have questioned how far microfinance benefits women and some argue that micro-finance programmes divert the attention of women from other more effective strategies for empowerment. The paper concludes that women’s empowerment needs to be an integral part of policies. Empowerment cannot be assumed to be an automatic outcome of micro-finance programmes, whether designed for financial sustainability or poverty targeting. More research and innovation on conditions of micro-finance delivery is needed. The paper finds that cost-effective ways of integrating micro-finance with other empowerment interventions, including group development and complementary services are still lacking. Unless empowerment is an integral part of the planning process, the rapid expansion of micro-finance is unlikely to make more than a limited contribution to empowerment.

A Study was made by Deepti Umashankar\textsuperscript{92} on the topic “women’s empowerment: effect of participation in self help groups”. The study seeks to explore the impact of participation in Self Help Groups on the empowerment of women in the context of the great importance being given to the group approach while conceptualizing any programme for rural women. The study was held in District Mewat in the Northern State of Haryana, a state which faces the conundrum of rapid economic growth juxtaposed with poor social indicators, and uses the personal narrative method to give a voice to women’s perspective. The study looks at various dimensions of empowerment – material, cognitive, perceptual and relational. It was that Access to credit can help in expansion of material base of women by enabling them to start and expand small

\textsuperscript{91} Linda Mayoux  Review of key issues “Micro-finance and the empowerment of women”

\textsuperscript{92} Deepti Umashankar 2006 “Women’s Empowerment: Effect Of Participation In Self Help Groups” Indian Institute Of Management Bangalore.
businesses, often accompanied by market access; the women also experienced ‘Power within’: feelings of freedom, strength, self identity and increases in levels of confidence and self-esteem. At the social level, an encouraging trend is that women have been able to challenge the norm of purdah. Besides, involvement in SHGs has enabled women to have a voice in the community affairs and they have been able to tackle problems such as a lack of drinking water and electricity, access to health services and children’s education.

Dr Shuchi Loomba 93 conducted a study in Ghaziabad on the topic “Role of microfinance in women empowerment in India”. The major objective was to study the role of micro finance in women empowerment. From the study it was found that microfinance is playing a vital role in the social, psychological as well as economic empowerment of women in India. Microfinance loan availment and its productive utilization found to be having a profound role and impact on women empowerment. The empirical findings of the study suggests that microfinance has a profound influence on the economic status, decision making power, knowledge and self worthiness of women participants of self help group linkage program in Ghaziabad. Microfinance is accepted as a key mantra for attaining and maintaining the sustained and long-term economic growth in all over the world.

Tiyas Biswas 94 made a study on “Women Empowerment Through Micro Finance: A Boon for Development” The paper puts forward how micro finance has received extensive recognition as a strategy for economic empowerment of women. This paper seeks to examine the impact of Micro finance with respect to poverty alleviation and socioeconomic empowerment of rural women. The conclusion that emerges from this account is that micro finance can contribute to solving the problems of inadequate housing and urban services as an integral part of poverty alleviation programmes.

93 Loomba,Dr.Shuchi. „Role of Micro finance in Women Empowerment in India” A research paper

94 Tiyas biswas “Women Empowerment Through Micro Finance: A Boon for Development
D Rajasekhar\textsuperscript{95} in his article “Micro-Finance, Poverty Alleviation and Empowerment of Women: A Study of Two NGOs from Andhra Pradesh and Karnataka” conducted a study to determine the economic and social benefits of micro-finance programmes for members of micro-finance groups. The study shows that micro-finance programmes do provide economic benefits to the people for whom the programmes were initiated. These benefits were mainly availability of savings and credit facility, access to credit for consumption and production, and use of credit for undertaking income generation activities. The finding that economic benefits were more pronounced in the project area of Grama Vikas points to factors other than micro-finance at work it can be concluded that micro-finance programmes do provide the poor with access to credit, enable them to undertake income generation programmes and contribute to higher recovery rates.

P Satish\textsuperscript{96} conducted a case-study on “Institutional Alternatives for the Promotion of Microfinance-Self help groups in India” This paper attempts to compare the role of nongovernmental organizations (NGOs), banks and the government in promoting the SHGs, their strengths and weaknesses, and the best practices that could be copied from them. This case study reveals that a larger numbers of groups are formed by NGOs, but they are not the only SHPIs. Banks, especially regional rural banks, have also formed SHGs. Qualitatively these groups are equally good when compared to the groups formed by NGOs. But due to the constraints of their staff and the regular banking business, banks may be able to promote only a limited number of groups. Apart from the NGOs and the banks, the government is a notable institution that has been promoting SHGs. The case study reveals that the success of the government in SHG promotion is restricted to the districts where the development administrations work in a true spirit of an SHPI following the best practices. Therefore it can be concluded by commenting that from the view of institutional framework, an institution can be considered suitable as a self-

\textsuperscript{95} D Rajasekhar Micro-Finance, Poverty Alleviation and Empowerment of Women: A Study of Two NGOs from Andhra Pradesh and Karnataka, ISEC Monograph No. 4, 2004

\textsuperscript{96} P. Satish Institutional Alternatives for the Promotion of Microfinance Self-Help Groups in India Journal of Microfinance Volume 3 Number 2
help promotion institution if it is in a position to foster and nurture the best practices for SHG promotion.

A study was conducted by A.P Pati & B.F Lyngdoh on “Microfinance Intervention and Socio-economic Transformation: An Application of Propensity Score Matching and Difference-in-Difference Technique” the study aims at examining the association between microfinance intervention and socio-economic transformation by using a contemporary technique classified as Propensity Score Matching aptly supplemented by another, namely Difference-in-Difference. The linkage relationship between economic transformation and social transformation is examined and issues and evidences of socio-economic transformation are documented. To empirically assess the impact of microfinance on socio-economic transformation a comparative analysis between microfinance (experimental) and non microfinance (control) groups was conducted by considering Meghalaya as a case by evaluating economic and social variables. PSM enabled perfect comparison between samples of the two groups and inferences were drawn. It was found that microfinance increased income, expenditure and savings of clients better than the control group, transformed individual wellbeing and as such has percolated into transformation of the family and society as a whole with significant changes in education decision making, health status, capacity building, access to social amenities and mobility, which are again less prominent in the control group. Overall, the study establishes that microfinance intervention leads to positive and meaningful socio-economic outcomes.

3. Review of reports.

knut-erland Berglund in (2007) conducted A Minor Field Study on the topic The effect of microfinance on the empowerment of women and its societal consequences which was held in Andhra Pradesh. The objective of this study is to look into and evaluate whether women active in a microfinance program have become economically empowered through the support of the micro credit organizations and the women’s collateral groups the study also analyzed whether microfinance can empower women and

if empowered women can make a difference in women’s societal issues. Therefore interviews were carried out in Andhra Pradesh with women active in self-help-groups, group members with political offices, whole self-help-groups, husbands of group members and microfinance consultants. The results from the study have shown that only few women have been empowered by organizing in self-help-groups with the possibilities of managing loans and savings. The activities of self-help-groups and the federated support structure are also having the potential to disempowered women. Women who already have a weak position have been shown to be in a worse situation when they have the pressure from their families to bring in loans in their names. Women might also endure harder pressure from working more to maintain their families, at the same time as running a business and making repayments. Even if some women have started to perceive themselves differently, society still views women in a traditional manner as associated with the domestic room, which clearly is a constraint to empowerment.

Report of The Steering Committee On “Micro-Finance And Poverty Alleviation” was submitted to The Eleventh Five Year Plan (2007-08 - 2011-12) Development Policy Division Planning Commission New Delhi in MAY – 2007. The report came out with following outcomes and recommendation as the poor people’s access to credit may be significantly improved through all the channels of SHG-Bank linkage programme, MFIs, Cooperative Banks, State Financial Corporations, RRB s and PACS. Some MFIs (i.e. Grameen Bank model/LABS, NBFCs) have been doing very well in selected states with dynamic markets and dynamic individuals. Beyond these jurisdictions, their outreach is non-existent. Any significant up scaling of micro-finance at the all India level will have to depend, therefore, on the large network of banks, the bank-SHG linkage programme and the MFIs. In addition, the post office network in the country may also be used to deliver banking services, especially in remote rural areas. The post offices may be further encouraged to work as “business facilitator” and as “banking correspondent” in accordance with RBI guidelines. The NABARD may consider setting up a Committee, consisting of various private and public sector banks, the Ministry of Rural Development,

---

99 Report Of The Steering Committee On “Micro-Finance And Poverty Alleviation” was submitted to The Eleventh Five Year Plan (2007-08 - 2011-12) Development Policy Division Planning Commission New Delhi in MAY – 2007
Small Industries Development Organisation (SIDO) of Ministry of Small Scale Industries (SSI), Rashtriya Mahila Kosh (RMK) of The Ministry of Women and Child Development, Department of Posts, SIDBI, MFIs and the NGOs in the micro finance sector to evolve an effective strategy to implement the Business Facilitators and Correspondents Model.

Dr. Harshada Rathod (2012) conducted a Major Research Project on the topic women empowerment through micro finance Funded by University Grants Commission, New Delhi. The study was conducted in Maharashtra with the objective to assess the impact of SHG-BLP and to evaluate the impact of MF on women promoted SHGs and to review the socio-economic impact of the members of the women promoted SHGs. It was found that nearly two-third respondents have a maximum of Rs. 10,000/- as bank balance. All respondents have received training and this has enabled members to develop group activities, common decision making, skill development increasing income level and enhance confidence building. Majority of the respondents have received internal loans, bank loans as well as cash credit facility. Majority of the respondents reported that they have availed all the benefits of Government Schemes. The Socio economic conditions of members have improved after joining SHGs. Their attitude towards health, hygiene, family planning and other decision making process have improved. SHGs have created positive attitudes of communities towards money matters. More than half the respondents reported that there is an interaction between Panchayats and SHGs for development purposes majority of respondents of SHGs reported that some members of groups have started income generating activities.

Minor Field Study was held in the year (2013) on the topic “Women’s Empowerment through Microfinance: A case study on Burma” by Johanna Ringkvist. The purpose of this study was to see if women who are members of a microfinance program are more empowered than non-members. The study also attempts to find what factors are important for women’s empowerment. The key findings of the study indicate

---

100 Dr. Harshada Rathod 2012 “Women Empowerment Through Micro Finance” Executive Summary of Major Research Project Funded by University Grants Commission, New Delhi.

101 Johanna Ringkvist “Women’s Empowerment through Microfinance: A case study on Burma” Minor Field Study
that women who are members of the microfinance program are more empowered than non-members. Also, being the head of household has a positive effect on empowerment. Further, age seemingly has a positive effect on the empowerment of women.

2.4: PERIOD OF STUDY
The proposed study covers Five years period starting from 2012-13 to 2016-17 in order to study and analyse various aspects of Microfinance and its role in Empowerment in Kalaburagi District.

2.5: FORMAT OF PRESENTATION
The study is presented in Six Chapters.

The first Chapter involves Introduction part, that deals with the brief Background of the study, Statement of problem, Objectives of the study, Significance of the study, The detail of the study area ie the Profile of Kalaburagi district, Scope of the study, Need for the study and lastly deals with Limitations of the study.

Second Chapter deals with “Research Design” that starts with Research Methodology which involves tools for analysis sources of data and sample design. Hypothesis are framed for testing and trying to determine if observation of some phenomenon is likely to have really occurred based on statistics. Many contemporary studies have been conducted in the present field of microfinance and women empowerment by academicians, institutions and various NGO’s associated with microfinance institutions. These studies have been presented in Literature review part. It also highlights the time taken for the work in period of study and also The format of presentation is included in this chapter.

Third chapter discusses about “Microfinance in India” where the Meaning, Definition, History, Product, Process/Service, Growth of Microfinance in India are discussed in detail. Further Microfinance institutions-services in India, Microfinance & Microfinance institutions in Karnataka, Microfinance institutions in Kalaburagi are also discussed.
Fourth chapter deals with “Women Empowerment”, the Meaning and Definition of Empowerment, different Types of Empowerment, Determinants of Empowerment, Stages of Women Empowerment Measuring Women Empowerment in terms of Factors affecting empowerment and lastly Criticizm of Microfinance are discussed.

Fifth chapter deals with ”Microfinance and Women Empowerment”, details of Self help groups in Karnataka and Kalaburagi are discussed along with Impact of Microfinance.

Sixth chapter deals Summary of the Research findings followed by some Suggestion, Conclusion and lastly Scope for further Research.

Concluding remarks

The chapter briefly highlighted the Research design implemented in the study which included the research methodology in the form of sources of data, tools for analysis, The sample size chosen for the study, etc.

It also deals with Literature Review which shows the previous studies undergone on Microfinance and Women Empowerment.