



CONTRIBUTION OF MICROFINANCE AND SELF HELP GROUPS IN EMPOWERMENT OF PDS BENEFICIARY WOMEN IN RAIGAD DISTRICT

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ABSTRACT

Microfinance is a measure designed by the government to cater to the needs of financial services among the poor population. Self Help Group is a government initiative to create income generation opportunities mainly among women. Microfinance and Self Help Groups are considered tools in the hands of the government for the empowerment of the underprivileged.

This paper is divided into three parts. The initial part of the paper provides information about government measures, Microfinance, and the Self Help Group. The second part of the paper revolves around the primary data analysis and the third part of the paper focused on the secondary data and attempt for deriving the conclusion.



KEYWORDS: *Microfinance, Self Help Group, Women empowerment, financial inclusion, Self-employment.*

INTRODUCTION

India as a nation has proudly celebrated the seventy-five years of Independence. It is true that seventy-five years ago India fought against British rule and gained political freedom. Since then India's fight against poverty and hunger is on but could not achieved complete success over it. India is yet to be free from poverty and hunger. As per the report Global Hunger Index 2021, India has been pushed to the 101st rank among 116 countries. Last year India was in 94th position. It shows the intensity of poverty hunger and starvation has increased in India. India needs to sharpen its tools while dealing with its age-old enemies i.e. Hunger and starvation. The root cause of hunger lies in the poverty. Unless India gets rid of poverty it cannot overcome the issue of hunger and starvation. The solution to poverty lies only in income. The permanent and stable income sources only can wash out the poverty. Being the second-largest populous country India has a responsibility to feed a huge portion of the global population but being a developing economy does not have sufficient resources. Thus the only option left for the country is to manage the situation with the available resources. Human resource is the biggest resource available in India. For any country, its population is an asset, but in the case of India, it becomes its liability as the Indian population is not a skilled population. Because of illiteracy, the provision of training and skill development becomes challenging. But the Indian government has accepted this challenge with the help of its initiatives namely Microfinance and Self Help Group.

LITERATURE REVIEW:

Seema Singh and Antra Singh (2020) in their research study on Women empowerment in India: A critical analysis mentions that Indian society is traditionally patriarchal in nature and therefore gives secondary status to women in society leading to limited economic and social freedom. In the post-independence era, the government took various initiatives for gender equality and women empowerment as the development of women is a prerequisite for the economic development of a country. The study is conducted to analyze empowerment among Indian women and India's preparations to attain the fifth Sustainable Development Goals.

M. Saravanan (2016) mentions in his study, The impact of Self-Help Groups on the Socio-Economic development of rural household women in Tamil Nadu- A study, that to attain women empowerment the present patriarchal norms and beliefs need to be challenged then only women's welfare can be achieved. Association with Self Help Group has brought positive changes in the social and economic standards of women in Tamil Nadu.

OBJECTIVES:

1. To investigate the functioning of the Microfinance institutions and Self Help Groups in India.
2. To analyze the impact of Microfinance institutions and Self Help Groups on the lives of poor women

HYPOTHESIS:

- H0: Income opportunities are not enhanced for Microfinance and Self Help Group members.
H1: Income opportunities are enhanced for Microfinance and Self Help Group members.
H0: Income generation by women and empowerment of women are not correlated.
H1: Income generation by women and empowerment of women are positively correlated.

STATEMENT OF THE PROBLEM:

Contribution of government measures like Microfinance and Self Help Group in the empowerment of women below the poverty line.

RESEARCH METHODOLOGY:

The present study involves quantitative and qualitative techniques. Collection and analysis of primary data is part of quantitative techniques whereas literature review and referring to secondary data is part of qualitative techniques.

Research Design:**Primary data:**

A simple random sampling technique is followed for collecting primary data for this study. Primary data is collected from 50 women Public Distribution beneficiaries from the Raigad district. The questionnaire was based on the parameters like age, educational qualification, income, savings, status in the family, decision-making power, etc.

Secondary data:

The secondary sources like government reports, books, scholarly research articles on Microfinance, Self Help Groups, and women empowerment are used for the present study.

Scope:

In a fight against poverty and unemployment, the tools like microfinance and self-help group are used by the government with an expectation to generate self-employment opportunities for the suppressed group. The government has planned to achieve the eradication of poverty through employment generation for poor people by providing financial services through microfinance institutions. The government expected to attain dual objectives of removal of poverty and women empowerment through this. Therefore this research study attempts to scrutinize the working of Microfinance and Self

Help Groups and assess their impact on the lives of poor families, particularly women from the Raigad district.

LIMITATIONS:

This study is based on primary data collected on a random sample basis from respondents from the Raigad district only, therefore it has limited applicability. Further, among various government measures of women empowerment, the focus of the study is only on the Microfinance and Self Help Group.

The Concept:

A situation when suppressed people get greater access to economic resources which strengthen their decision-making power is called empowerment. Women empowerment is a process that makes economic resources accessible to women and makes them capable of taking strategic decisions affecting their life. For an emerging economy like India, Women's development is a prerequisite towards their journey of economic growth and development. Women's empowerment and development are measured through the employment and income opportunities available to them. These opportunities can be created through provisions of financial services through financial inclusion.

Indicators of women empowerment:

1. Gender equality and elimination of discrimination against women
2. Eradication of all types of violence against women
3. Realisation of self-esteem among women
4. Increased self-confidence among women
5. Implementation of legal and constitutional safeguards for women
6. Recognition of economic and social contributions of women
7. Development of critical thinking among women
8. Creating awareness among women about their collective power
9. Instilling the confidence of decision making among women
10. Developing the ability of women to make informed choices
11. Guaranteeing the active presence of women in all spear of life

Microfinance is an instrument to provide financial services to poor people for whom sufficient banking facilities are not available. The main reasons for the non-availability of banking services to a poor population are the non-availability of an asset to be a mortgage with the bank to avail loan and the high cost of loan processing. This has kept the poor population away from the institutional sources of finance. Therefore government introduced the alternate option of Microfinance for catering to the financial needs of poor people and secure financial Inclusion. Financial Inclusion means making financial services such as credit, saving, insurance, and transfer of money, available and accessible to all nationals at an affordable rate.

The first Microfinance institution of India is the SEWA Cooperative Bank, Ahmedabad, Gujarat. Along with Grameen Bank, there are many microfinance institutions that were developed in India. The leading contributor to microfinance in India is the National Bank for Agriculture and Rural Development, popularly known as NABARD. It is giving financial services to poor people who are deprived of banking facilities especially women with an objective to secure women empowerment. To attain this objective NABARD had come up with a very novel model called Self Help Group.

PRIMARY DATA ANALYSIS:

The primary data is collected by using a sample random method with the structured questionnaire comprising of various socio-economic parameters such as age, gender, family, education, qualification, employment, income, etc.

All the responses collected from women, therefore, Gender – Female 100 %

The Financial Status of 100% of the respondents is Below Poverty Line or Marginally above the poverty line as all the respondents are eligible to get the benefits under the Public Distribution System. All the respondents are holding either yellow or Orange ration cards.

Majority i.e. 60% of the respondents belong to age group 25 to 40 years, working population

75 % of the respondents reported that either they are absolutely Illiterate or educated only up to primary level.

Majority (65%) of the respondents are Married but all of them have responsibilities towards their family especially towards dependent members, either children or elderly parents

40% of the respondents have a Family size of 5 to 7 members with a minimum of two dependent members.

Majority (80%) of the respondents are associated with SHGs for a period of 3 to 5 years

Majority (96%) of the respondents have happily reported of increase in family income after joining the Self Help Group activities.

All the respondents have informed that they have their own Saving Bank account and they conduct the Bank transactions either on their own or with the help of family members or fellow Self Help Group members.

Majority (94%) of the respondent gave negative responses to the increase in educational opportunities. It means an increase in income is mainly diverted for satisfying the family needs rather than self-improvement.

90% of the respondent were positive towards the inquiry for an increase in educational opportunities for children.

In spite of gaining the economic freedom through Self Help Group activities only 50 % of the respondents could achieve social freedom in terms of getting decision-making authority in family issues.

The performance of the respondents is absolutely disappointing for the inquiry regarding political freedom as 100% of the respondents reported zero political participation.

RECOMMENDATIONS:

The empowerment is incomplete unless it brings self-improvement, therefore Self Help Groups should take initiative towards adult education, especially for the members who are either illiterate or literate up to primary level.

Freedom of decision-making is an important element of empowerment. Decision-making can be truly availed only by participating in decision-making for the whole society through gaining political position. Therefore Political participation should be encouraged among the members of the Self Help Group.

CONCLUSION:

Government measures of women's development and empowerment have attained success but compared to other developed countries India's performance in terms of women empowerment is not satisfactory, therefore the government is required to restructure the existing measures of women empowerment.

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