

Role of Self Help Group in Microfinance towards Women Empowerment

With special reference to Dhansiri Sub-Division of Golaghat District in Assam

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ABSTRACT : Microfinance provides financial services to low-income individuals who wants to use for productive purpose and who lack access to credit from bank. The intervention of micro finance through SHGs to various rural women has made them financially independent and empowered socially. The functioning of SHGs amongst rural areas has alleviate poverty level up to some extent. The Objectives of the study are- i) To analyze Economically Empowerment of Women. ii)To study the Psychological well being of the SHGs members iii)To study the various area covered by SHGs. The study was under taken from Ten Self Help Group which were considered for the collection of Data. A structured interview schedule was prepared by the investigators for collecting information from the rural SHGs which are engaged in micro finance. The researcher has used bar graph for graphical representation and interpretation was done from the graph. A Cross tabulation of psychological variables with different age groups is used for analysis purpose. The existence of micro finance in rural areas is commendable for building a self confidence, Courage and skill development .The movement of SHGs members along with groups and leaders has lead them to participate on various social welfare activities with good spirit and dedication. The existence of micro finance has transform the psychological behavior and empowered the rural women both socially and economically.

Key words: Microfinance, women's empowerment, alleviate, Self Help groups.

I. INTRODUCTION

The soul of India lies in its Village. According to the latest census 70 percent of the population still resides in village and engaged in Agriculture field. The mesmerizing of urban development could not magnet the rural women due to socio culture hindrance, lack of education, personal difficulties, etc. As a result, scenario of rural women is not as par the phases of urban women status. The attainment of overall development is not possible without rural areas. The rural women may contribute to the growth of economic activities if they become financially independent. The support of microfinance will enable them to expose their ideas to start business. Microfinance plays a vital role in bringing up confidence amongst women in decision making and even help in raising the status of women and reduce gender inequality. Microfinance will empower the women to live a life of dignity, self reliance, self-esteem and use their skills which remained unutilized due to the lack of capital.

II. MEANING OF MICRO FINANCE

Microfinance provides financial services to low-income individuals who wants to use for productive purpose, including consumers and self employed, who traditionally lack access to banking. It is a financial institution which supports credit facilities to the people of rural area to start a business. The microcredit institution prioritizes women to empower them and simultaneously address to alleviate poverty.

III. MICRO FINANCE THROUGH SELF HELP GROUPS

SHGs have reflected up to a great extent in microfinance. SHGs are usually formed by giving a proper group name with 10 to 20 members. Most of the motto of SHGs is 'Saving first and credit later'. The group has to maintain (MOM) minutes of meeting along with documents of deposits register and loans. The Reserve Bank of India (RBI) have permitted to all the SHGs to open a savings bank account with any commercial bank, Regional Rural Bank or any district Co-operative Bank and similar institutional Bank. At initial stage groups are funded by internally amount collected among the group members. The amount so accumulated are granted as a loan to those who are in ideally needs to start up any business or to utilize it for productive purpose. Normally the loans are granted with minimum interest rate. Well maintained SHGs can avail credit facilities from different bank. The group member has to assess their development at regular interval with the participation of all the members.

IV. OBJECTIVES OF THE STUDY

1. To analyze Economically Empowerment of Women
2. To study the Psychological well being of SHGs members
3. To study the various area covered by SHGs

V. RESEARCH METHODOLOGY

Collection of Data: The data is collected from the rural areas of Dhansiri Sub-Division. The information is gathered through primary as well as secondary sources. Primary data is collected from field survey in the selected regions and secondary data is collected through the registers that were maintained by the respective self help groups. Ten Self Help group were considered for the collection of Data. A structured interview schedule was prepared by the investigators for collecting information from the rural SHGs which are engaged in micro finance. Data were collected from the following areas of Dhansiri Sub-Division-

1. Nakhuti kachari Gaon
2. Laxmi Gaon
3. Garo Bosti
4. Nepali Bosti
5. Amguri Gaon

VI. SAMPLING METHOD

Cluster sampling method was used for research purpose. As the SHGs members are in large they are divided in groups and the data were collected randomly.

VII. SAMPLING SIZE

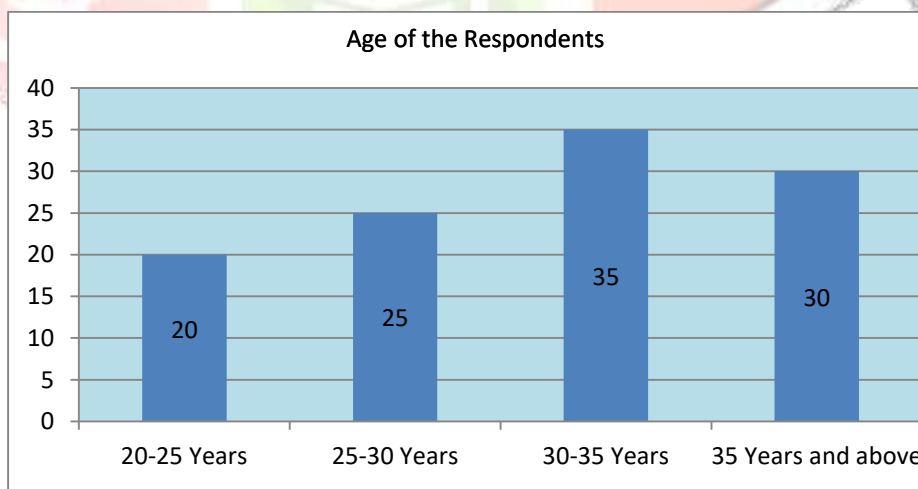
100 samples were selected for the collection of data from the ten SHGs of Dhansiri Sub-Division.

VIII. LIMITATIONS OF THE STUDY

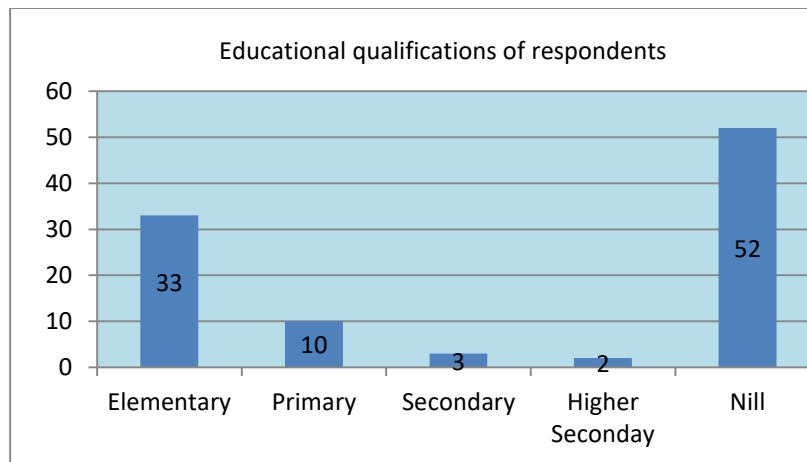
- The primary limitation was the location of the research area which is in rural areas. The out come may not be applicable in urban areas.
- The information were collected only from women members of SHGs where as there are many SHGs where men are also included.
- Other forms of micro credit providers are ignored.

DATA ANALYSIS AND INTERPRETATION

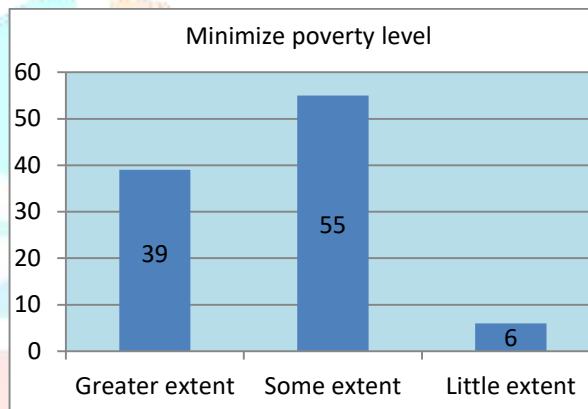
Graphical Representation of Data



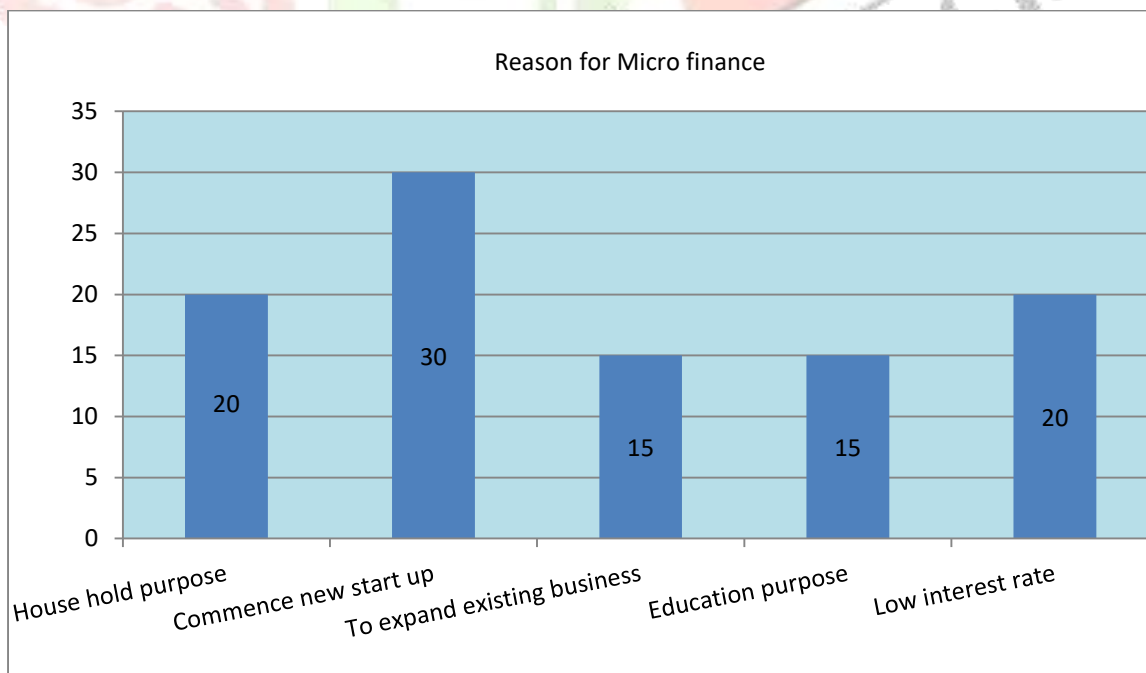
35% of the respondents are above the age of 35 years and majority of the women are below the age of 35 years



52% of the members in SHGs are illiterate where as majority of the members have studied up to elementary level

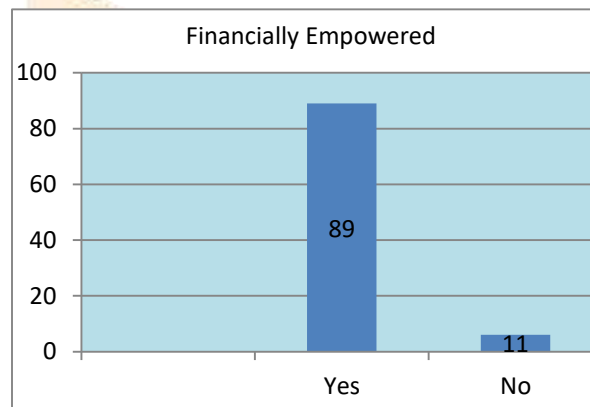


55% of the respondents feel that Micro Finance has minimize poverty level up to some extent



30% of the members take credit for commencing new business where as only 15% takes credit for education purpose

Variables		Age of respondents								Total
		20-25		25-30		30-35		35 & above		
		Yes	No	Yes	No	Yes	No	Yes	No	
	Self confidence	76	24	85	15	95	5	98	2	100
	Improvement in courage	70	30	80	20	90	10	100	0	100
	Improvement in skill	95	5	85	15	75	25	97	3	100
	Improvement in literacy level	70	30	45	55	20	80	10	90	100
	Moving independently	70	30	80	20	73	27	75	25	100



89% of the women have become financially independent

Cross tabulation of psychological variables with different age groups

The cross tabulation shows that the micro finance has brought a great changes in the lives of rural women and brought a drastic changes in the psychological well being on the age of 20-25 years of rural women.

IX. FINDINGS

- Women have become financially independent moreover they are empowered economically and socially after joining SHGs. 39 percent reported that poverty level reduced by greater extent and 55 percent felt that poverty level reduced by some extent after participating in micro finance program.
- It is evidenced that microfinance has improved the literacy level of rural women and brought awareness on children education among the high level of respondents.
- The micro finance through self help group has made the rural women to move independently in their lives and they are not concerned with any problems or compulsions from their family or from other members in the society.
- Women are allowed to express their feelings without any coercion
- All the respondents agreed that micro finance brought courage, self confidence, improved their life skill and self determination.
- There is a great transformation amongst rural women and it is applaudable for the coordination between groups and within group leaders and decision making among respondents. There is a significance improvement in the income of the respondents after joining SHGs.
- It is commendable for the improvement in psychological well being and social empowerment amongst women as a result of participating in micro finance through SHGs program.

X. CONCLUSION

While doing survey it is found that Self Help Groups are performing well in rural areas. The researcher like to concludes that microfinance has transform the psychological behavior and empowered the rural women both socially and economically. The existence of micro finance in rural areas is commendable for building a self confidence, Courage and skill development .The movement of SHGs members along with groups and leaders has lead them to participate on various social welfare activities with good spirit and dedication. When researcher was interacting with the respondents, it is figure out that most of the respondents are looking forward from the local government to come up with various skills development program and vocational training for self reliance . The respondents are also expecting the local NGOs to come up with various training sessions specially in income generating activities.

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