



## Impact Of Microfinance on Women Empowerment in Rewa District

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### ABSTRACT

Microfinance and self-help groups are inseparable. Rewa block of Rewa district have 1,372 self- help groups involving 3,783 women in economic and social activities. The success of self-help groups in India and all over the developing and underdeveloped countries have proved that there is an exponential change in the mindset of the conservative and tradition bound, ignorant women in rural areas. Ex post facto research design was followed for the study. This study shows that out of total 120 respondents' majority belonged to medium aspiration (43.33%), half of the respondents exhibited medium level of socio-economic impact of microfinance on them (50.00%).

**Key Words:** Empowerment, Microfinance, Socio-economic impact, Self-help group,

### INTRODUCTION

Rural community faces lack of cash flow hence considered economically poor or marginalized. The self-help group is an alternative approach to achieve the objectives of rural development. Self-help group is a viable organized setup to disburse microcredit to the rural women and encouraging them enter into entrepreneurial activities. Credit needs of the rural women can be fulfilled totally through self-help groups. This has reduced the dependence on moneylenders and also resulted in empowerment benefits of women. (Singh *et al*, 2009). Self-help group enhances understanding of women regarding their local political institutions and other development agencies, which helps them to grow personally as well as socially.

Self- help group has got potential in creating awareness on day to day affairs, promoting saving habit, developing self and community-assets, increasing income level, improving social power etc. Self-help group concepts generate self-confidence, self-security and self-reliance. Presently self- help groups are functioning as an alternative approach to money lenders and bank to the beneficiaries Self-help groups enable women to grow their savings and to access the credit which banks are increasingly willing to lend. SHGs can also be community platform from

which women become active in village affairs, stand for local election of take action to address to social.

Total numbers of self-help groups in Madhya Pradesh are 3,15,607. Out of this total numbers of self-help groups in Rewa district are 11,573. Out of nine block Rewa block of Rewa district have 1,372 self-help groups involving 3,783 women in economic and social activities. (NRLM office Rewa, 2019). Keeping this in view the present study was undertaken with the objective to study the socio economic profile of the members of Self-help groups and determine the socio-economic impact of microfinance.

### MATERIALS AND METHODS

This study was conducted in Rewa district M.P. The National Rural Livelihood Mission (NRLM) Project has been running in the district since 2015 for improving the livelihood of women beneficiaries through self-help groups. Out of 9 blocks; Rewa block was selected on the basis of higher number of rural women beneficiaries under NRLM project. A cluster consisting five villages viz, Kitvariya, Karahiya, Bansi, Dihiya and Jori of Rewa block was selected due to higher concentration of self-help groups members. A list of self-help group members was prepared from this cluster and a total of 120 respondents were selected through proportionate random sampling method.

The data were collected personally with the help of pre tested interview schedule. The appropriate statistical tools like percentage, average and Chi-square test and Co-efficient of association statistic were applied for drawing the inferences based on statistical results obtained from statistics analysis done. Chi-square test statistics is given as

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### **RESULTS AND DISCUSSION**

The data (table 1) show the percentage distribution of respondents according to psychological variable. Out of total respondents, majority belonged to

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**Table 2. Impact of micro-finance.**

N=120

Sr. No.	Component	Socio-economic impact					Total score		Mean score	Rank
		High	%	Medium	%	Low	%			
1.	Self-confidence	40	33.33	60	50.00	20	16.66	250	2.08	I
2.	Change in income	83	69.17	25	20.83	12	10.00	240	2.00	II
3.	Decision –making ability	85	70.83	22	18.33	13	10.83	220	1.83	III
4.	Communication level of women members	70	58.33	40	33.33	10	8.33	188	1.56	IV
5.	Community participation	60	50.00	50	41.66	10	8.33	181	1.5	V
6.	Saving and financial decision making	20	16.67	80	66.66	10	8.33	177	1.47	VI
7.	Change in employment	60	50.00	35	29.16	15	12.5	170	1.4	VII
8.	Change in annual spending pattern	30	25.00	80	66.66	10	8.33	155	1.29	VIII
9.	Change in family violence	65	54.16	45	37.50	10	8.33	148	1.23	IX
10	Frequency of interaction with outsiders	20	16.66	83	69.16	17	14.16	120	1.00	X
11	Interaction with officials	13	10.83	30	25.00	77	64.16	110	0.91	XI
<b>Average Mean :1.47</b>										

and financial decision making (16.67 %) and low saving and financial decision making (8.33 %).

The study showed that change in employment ranked seventh with mean score 1.4. Maximum women members showed high change in employment level (50.00 %) followed by medium change in employment level (29.16 %) and low change in employment level (12.50 %). The annual spending pattern ranked eighth with mean score 1.29. Maximum women members showed medium change in annual spending pattern level (66.66 %) followed by high change in annual spending pattern level (25.00 %) and low change in annual spending pattern level (10.83 %).

The study shows that change in family violence ranks ninth means score 1.23. Maximum

women members showed high change in family violence (54.16 %) followed by medium family violence (37.50 %) and low change in family violence (8.33 %).

The data ( Table 1) show that frequency of interaction with outsiders ranked tenth mean score 1.00. Maximum women members showed medium frequency of interaction with outsiders (69.16 %) followed by high frequency of interaction with outsiders (16.66 %) and low frequency of interaction with outsiders (14.16 %). Majority of women members had low interaction with officials (64.16 %) followed by medium interaction with officials (25.00 %) and high interaction with officials (10.33 %).

**Table 3. Association between profile of the respondents and impact of the microfinance on them.**

<b>Sr. No.</b>	<b>Characteristic</b>
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