

Women Empowerment Through Microfinance

Dr. Vandana Dhawad
Associate Professor,
Dept. Of Home Science, RTMNU, Nagpur.

Introduction-

Women are an integral part of every economy. All round development and harmonious growth of a nation would be possible only when women are considered as equal partners in progress with men.

Microfinance is the provision of broad range of financial services such as deposits, loans, payments services, money transfers and insurance to poor people and low income households and their micro enterprises. It is an effective tool for making the banking services accessible to the rural unbanked areas. Improved access and efficient provision of savings, credit and insurance facilities would enable the poor to set up micro enterprise, build up economic assets, manage the risks better and enhance income earning capacity and resultantly improve their standard of living.

Women Empowerment-

Empowerment means emancipation of women in harmonious existence with men in society. Power provides social recognition, dignity, prosperity, property, value and security; hence empowerment has acquired a considerable aura of responsibility and social status in the development vocabulary. Empowerment is a way of acquiring the ability and opportunity to participate in decision making and implementing and influencing the decision making with proper knowledge, self-dignity and self-confidence.

The prime aim of empowerment is to have self-reliance. This self-reliance mainly refers to the individual's economic independence. Empowerment also refers to a complete change of social and also economic attitudes towards women. Empowerment is a process that generates changes in our ideas and perceptions and creates awareness about rights and opportunities for self-development in all important spheres of life.

Women empowerment aims at achieving a number of objectives.

- To overcome patriarchal values and causes of women subordination and then to establish women's rights.
- To bring about changes in the family, society, class, religion, caste, politics and economy and to amend education, media and law.
- To attain control over knowledge resources and mental resources
- To ensure that women join the mainstream.

Movement of women development through self-help groups has been introduced in different parts of the country and abroad to promote socio-economic status of the women in particular and to bring out all round development in general.

Self-help groups need to improve the states of women by well-conceived planned

development programmes which would have active community participation based on the women's needs in order to emancipate and empower them.

Concept of Microfinance

The social process of Micro-Financing programmes strengthens women's self-esteem and self-worth, installs a greater sense of awareness of social and political issues leading to increased mobility and reduced traditional seclusion of women. Most importantly, micro-finance programmes enable women to contribute to the household economy, increasing their intra-household bargaining. Thus, micro financing through self-help groups has transformed the real economic power in the hands of women and has considerably reduced their dependence on men. In another sense microfinance is an effective method to empower women through self-help group.

Significance of Microfinance

Micro-finance has become a significant mechanism through the participatory process. Micro financing programme is essential to overcome exploitation, create confidence, for economic self-reliance of rural poor for which participatory among women who are mostly invisible in the social structure

This finance enables them for common objective and gain strength from each other members to deal with exploitation which women are facing in several forms. This programme also helps building of relationship with the rural poor through constant and genuine efforts.

The micro - finance movements in India mostly have involved SHGs mainly of the poor women. It is an only one component of the strategy of inclusive growth. Micro finance is a practical concept designed to meet the financial needs of the poor and marginalised who do not have access to the formal financial services.

Micro- finance is a wide term, which includes micro credit also. Micro credit loans are generally advanced for production and sometimes for consumption purposes. There are several objectives of micro credit.

1. To create employment opportunities.
2. To empower the rural women.
3. To alleviate poverty.
4. To improve the living standard of rural people.
5. To mobilize rural savings.
6. To make optimum use of rural resources.
7. To engage inactive human resources.
8. To engage rural people in development process of the country.
9. To eliminate the exploitation done by money lenders.

Microfinance and women empowerment

Microfinance programmes not only give women and men access to savings and credit ,but reach millions of people worldwide by bringing them together regularly in organized groups. These programmes can contribute significantly to gender equality and women's ability to earn an income ,initiating a series of virtuous spirals of economic empowerment ,increased wellbeing for women and their families and wider social and political empowerment .Micro finance services and groups involving men also have potential to question and significantly change men's attitudes and behaviours as an essential component of achieving gender equality ,and women's empowerment which in turn are integral components of proper development for civil society strengthening .

The main features of the Micro Financing:-

- It promotes the credits, as a human right.

- It provides the credits to poor families to overcome poverty. It is targeted to the poor, especially poor women.
- It is based on trust, so it does not insist on any collateral systems and not on legal procedure.
- It provides the service at the door steps of the poor, the banks should go to the people.
- A borrower must join a group of borrowers (SHGs) in order to obtain loans.
- Loans can be obtained in continuous sequence .A new loan available if her previous loan is repaid.
- All loans are to be paid back in instalments.
- Banks give high priority to build social capital.
- Generally, the loans are given through non-profit organizations or through institutions owned by borrowers.
- It is offered for creating self -employment for income generating activities and housing for poor.

Conclusion

Micro Finance interventions are well - recognized world over as an effective tool for poverty alleviation and improving socio-

economic status of poor. In India micro finance is making headway in its effort for reducing poverty and empowering women. Micro finance through the network of cooperatives, commercial banks, regional rural banks, NABARD and NGOs has largely a supply driven recent approach.

Women play a significant role in the domestic and socio-economic life of the society and therefore holistic national development is not possible without developing this segment of the society.

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