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Women Empowerment and Microfinance in India

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Abstract

Microfinance is a crucial practise that provides modest, no-collateral loans or other forms of financial support to persons who are underserved, mostly to help such regions flourish without having access to credit. Savings, credits, insurance, remittances, loans, housing, and money are all part of microfinance services. These services give women access to a range of activities that are quite effective in reducing their patriarchal control over those assets. Thus, it promotes gender equality as well as economic advancement. By boosting their bravery and self-esteem and enabling the creation of various networks with other women in their community, microfinance is an important tool for empowering women. Additionally, it enhances their capacity to make decisions for their home. Keywords: Women Empowerment, Empirical Study, Micro Finance, Shg (Self Finance Group), Self-Finance World Bank, Rural Banking, Micro Lending, Collaborations, Sustainability, Financial Service, Poverty Elimination Programme, Bank Linkage Programme, Micro Entrepreneurs, Reallocation of Powers.

Objectives

The objectives of this study are:

1. To study microfinance in India.
2. To get an insight into women empowerment in India.
3. To analyse the role of microfinance in entrepreneurship.
4. To evaluate the role of commercial banks in providing microfinance in India.

Introduction

Microfinance is a type of banking service provided to unemployed or low-income people or organisations who would not otherwise have the chance to use financial services. Most microfinance businesses provide funding; microloans can range from \$100 to \$25,000 in amount. Through microfinance, people may get respectable loans for small enterprises in a safe manner that complies with ethical financial norms. Microcredit, which is where microfinance first emerged, is the concept of providing extremely tiny loans to persons who lack a reliable source of income, assets to use as security, or a credit history. Additionally, it tries to help and support business owners who lack the money to start a project or profit from an idea. The ultimate goal of microfinance is to provide underprivileged people an opportunity to become self-sufficient. Microfinance services are made available to jobless or low-income persons since the majority of people who are poor or have limited resources are unable to do business with traditional financial institutions. Additionally, a lot of microfinance groups provide special attention to supporting women.

There are several microfinance organisations located all over the world. While some bigger businesses collaborate with the World Bank, numerous smaller organisations operate across many nations. Some groups allow lenders choose who they want to lend to based on several criteria, such as the level of poverty, geography, and kind of small company. Others are very carefully targeted. For instance, in Uganda, there are organisations committed to providing women with the capital they require to launch small companies and grow eggplants. The majority of microloans are conducted in poor nations including Serbia, Indonesia, Uganda, and India.

History of Microfinance

The Grammen Bank was established in 1983 by Yunus in Bangladesh. It's activities proved that people can be relied upon to repay

their loans and that it is possible to provide financial services to the poor through market-based businesses without subsidies, which is the main reason microfinance has been there since the 1970s. The bank's frequent fresh openings have resulted in the existence of "branch" sites in over 80,000 communities. According to estimates, the bank has provided financial help to almost seven million Bangladeshi consumers, 97% of whom are female. In 1974, Shorebank, the first bank specialising in microloans and community development, was founded in Chicago. Through non-profit organisations and financial companies, the concept was disseminated around the world in the 1980s and 1990s. The microfinance industry swiftly took shape in developing countries.

2005 was designated as the International Year of Microcredit by the Economic and Social Council of the United Nations in a call to the industrial and banking sectors to "fuel" the dynamic entrepreneurial culture of the world's economically disadvantaged. The International Year of Microcredit has the following five goals: to assess and highlight the MFIs' impact on microfinance; to increase public awareness and understanding of microfinance as a critical element of the development scenario; to include the financial industry in the promotion; to develop a mechanism to enable enduring access to financial services; and to encourage new partnerships and innovations to increase the reach and effectiveness of microfinance.

Importance of Microfinance

Microfinance helps deliver financial services to those who live in rural areas where conventional banking institutions don't function. Additionally, it provides instructional learning. Third, microfinance may encourage entrepreneurship and business growth in areas that are battling with poverty. The World Bank estimates that over 500 million people have benefited from microfinance-related ventures. According to the Consultative Group to Assist the Poor, a non-profit organisation, well over 120 million people are anticipated to have significantly benefited from microfinance-related activities as by 2021. The world's poorest people, however, only have access to a limited percentage of these services, and over 1.7 billion people are unable to create basic bank accounts.

The expansion of micro lending to other financial services and commodities frequently strengthens the long-term viability and social purpose of microfinance programmes. Inclusive finance describes this new equilibrium, which is promoting a healthy economic cycle. Inclusive finance also rely on contemporary technology to deliver accessible financial services to the underprivileged. Thanks to SMS money transfers, almost 200,000 Kenyan households have been able to escape extreme poverty. The digitization of banking and finance has the potential to increase the GDP of developing countries by 3.7 trillion dollars by 2025. The history of the previous four decades of economic development has already been impacted by microfinance, which began in a small Bangladeshi village. The amount of microcredits awarded globally increased by more than 12.6% to \$87.1 billion. The groundwork has already been laid for addressing the massive issues that lie ahead, such as addressing the needs of the 500 million people who are waiting for finance and the 700 million people who are still living in extreme poverty. It's a significant undertaking that starts with a little sum of money.

Challenges associated with Micro finance

Microfinance has occasionally drawn criticism, despite the fact that it has produced a number of very good results, such as enabling immigrants to start their own businesses in the United States. Even though the interest rates on microloans are frequently lower than those of conventional banks, some have argued that these companies are exploiting the poor. In particular, in light of the growth of for-profit microfinance firms like BancoSol in Bolivia and the aforementioned SKS, which started out as a non-profit organisation (NPO) before converting to a for-profit model in 2003.

In addition to the contrast between non-profit and for-profit microfinance organisations, there are a number of criticisms. Others contend that \$100 microloans simply provide the bare minimum in terms of shelter and food, keeping borrowers working in subsistence trades rather than enabling them to live freely. Some detractors argue that it is preferable to create jobs by constructing new facilities and producing cutting-edge goods. They cite China and India as examples, where the expansion of massive businesses has produced stable employment and higher incomes, assisting millions of people in escaping the most extreme forms of poverty. Some sceptics have asserted that even if interest payments are little, they are nonetheless burdensome. Despite the excellent loan repayment rates, some borrowers are nonetheless unable to or opt not to repay their loans because of a collapse of their business, a personal tragedy, or other circumstances. Therefore, this new debt might make microcredit borrowers even poorer than they were already.

History of Microfinance in India

In the 1980s, "micro financing" was originally advocated in India as a way to end poverty and empower women. Despite having significant potential, the availability of microfinance in rural India remains a problem. SKS Microfinance provides services to several low-income clients in India. It has grown to become one of the biggest microfinance companies in the world since its foundation in 1998. SKS divides all borrowers into five-person groups that work together to ensure that their obligations are paid, much like the Grameen Bank does.

The first company to offer microfinance in India was the Gujarat-based Self-Employed Women's Association (SEWA), which established SEWA Bank in 1974. At the time, this bank provided financial assistance to anybody wishing to grow their own business in rural areas. A successful endeavour is the Kudumbashree Poverty Elimination Programme, which was started in the state of Kerala in 1998.

Current state of Microfinance in India

In India's microfinance industry, a wide range of businesses provide low-income people with financial services such as loans, insurance, and pensions. In India, the borrowers are frequently from low-income households, the microloans received through microfinance are typically small sums, the loan period is quick, and collateral is not usually required. The majority of microloans have more frequent payback schedules and are meant to be profitable. Small finance banks, NBFC MFIs, banks, and non-profit MFIs are the five main groups into which the various microfinance industry players may be split.

The micro finance presently covers US\$ 140 million households and Approximately USD 11.9 million SHG groups, totalling US\$ 472.4 billion in cumulative savings as of March 31, 2022. The credit linkage is very excellent thus far, with loans of US\$ 997.2 billion issued and US\$ 3.4 million SHGs credit connected during FY 2021–22 (compared to US\$ 2.9 million units in 2020–21). As of March 31, 2022, there was US\$ 1510.5 billion in credit outstanding for US\$ 6.74 million SHGs or an aggregate of US\$ 0.24 million per SHG. Despite the fact that the average ticket size is not large, as shown by the numerous success stories in this magazine, the effect can be life-changing. It is anticipated that the E-Shakti initiative, which has digitised the financial and non-financial data of over 1.2 million SHGs worth US\$1.2 million to reassure banks of SHG loan linkage, will increase credit linkage.

Regulation of Microfinance Institutions in India

The Reserve Bank of India is the main regulating authority for MFI in India (RBI). An MFI in India is enlisted as one of the following: Section 25 Companies (those operating for non-profit), for-profit NBFCs, NBFC MFIs, cooperatives that have registered under the traditional state co-operative acts, the national level Multi-State Cooperative Societies Act (MSCA 2002), or under the new State-level Mutually Aided Cooperative Societies Act (MACS Act).

If a business wants to register as a Non-banking finance MFI, certain RBI requirements must be completed. At least 75% of the loans in the NBFC portfolio MFI's must have been made with an eye towards generating revenue. In addition, qualified assets must make up 85% of total assets. In India, NBFC-MFIs contributed significantly to all microfinance activities by the year 2009. Transparency, governance, and a set structure for client security and ethical procedures became more important as this business evolved. The Microfinance Institutions Network, or MFIN, was created in 2009 to meet this demand. Any NBFCs that have filed with the RBI as NBFC-MFIs are qualified to become members under the organization's bylaws. Also, the RBI has acknowledged the MFIN as an NBFC-MFI Self-Regulatory Organization (SRO).

Conditions of Women in India

The term "gender discrimination" describes how people are treated differently or given fewer chances because of their gender. Discrimination in the job, in the classroom, and in other spheres of life are just a few examples of the numerous shapes this may take. It might entail gender-based abuse or harassment, unequal wages, an absence of educational and perhaps other resources, or other issues. India has a serious problem with gender inequality, and women in particular experience many different types of prejudice and unfairness.

In India, women frequently make less money than males for performing the same tasks, and they are marginalized in higher-paying positions. In India, males make up 82% of the labour force but only make about 18% of the income, according to the Global Inequality Report 2022. There is a significant discrepancy in literacy levels among both men and women in India since girls frequently do not receive the same schooling as males. A third of the world's illiterate population, or 187 million women, live in India. In India, the literacy rate for men and women is 24 percentage points different: over 75% of males and just 51% of women are literate.

In India, violence against women is a serious issue. In India, there were more than 371 503 documented incidences of violence against women in 2020, based on the National Crime Records Bureau. This covers instances of sexual assault, domestic abuse, and other types of maltreatment. Due to the huge number of violent acts against women that go unreported, the true number of cases is probably far higher. One explanation for this is that women who have experienced assault frequently carry a heavy cultural shame that prevents them from coming out or asking for assistance. Furthermore, Women in India are subjected to a variety of constraints on their freedom. These can include regulations which discriminate against them as well as cultural norms and expectations that restrict their options and possibilities. Women may find it challenging to engage fully in society and make their own decisions as a result of these constraints. These problems must be addressed by the government as well as society in order to advance women's equality and inclusion. This might involve altering cultural attitudes as well as putting laws and regulations in place to defend women's rights.

Women's Contribution to the Indian Economy

From 1994 to 2012, a remarkable 133 million Indians were lifted out of poverty, an accomplishment in which both India and the rest of the globe may take pride. Though deserving of praise, the result would have been more impressive if more women had been able to participate in the labour force. In contrast to seventy-nine per cent of males, just 27% of adult Indian women held a job or were actively searching for one in 2012. In reality, between 2005 and 2012, over 20 million women left to labour. This is the same as Sri Lanka's whole population.

Women-owned enterprises offer the economy a lot of power. In India, there are 432 million women who are of working age, and 13.5 to 15.7 million of those firms are run by women. These businesses directly employ 22 to 27 million people. Furthermore, women are in charge of a lot of enterprises. Indian women are self-reliant and highly motivated to launch their own businesses. As reported by Boston Consulting Group, over the course of five years, start-ups that were formed or cofounded by women bring in 10% greater overall revenue. In India, 20.37% of MSME owners are women, making up 23.3% of the workforce. They are regarded as the foundation of the economy. By expanding women's involvement in the labour market, India has the ability to boost the global GDP by 700 billion US dollars, claims McKinsey Global. Women make up a greater proportion of the workforce in agricultural and industrial sectors than males do. These industries are frequently linked with raising disposable income and aiding households in escaping poverty.

Role of Microfinance in Women's Empowerment

Microfinance initiatives mostly target women as their consumers. This credit amount enhances gender equality, women's standing within the household, their health, and their level of education in addition to assisting underprivileged women in developing economies. Additionally, due to their higher inclination to repay loans, women are viewed by microfinance programmes as an excellent credit risk. Men, on the other hand, are more likely to invest their money in hazardous business ventures and are also more likely to spend it on alcohol, cigarettes, and gambling. Women from rural and urban regions come together in this woman-led community organisation of Neighbourhood Groups (NHGs) to fight for their rights and encourage their empowerment. Women work on a range of subjects, including agriculture, nutrition, and health, through these NHGs. People can work under this plan while earning money and applying for microcredit. Such modest efforts are fostering financial independence in disadvantaged places.

While a sizable portion of women's loans is immediately invested in business ventures by their male relatives, the responsibility for repayment rests with the female borrowers. The assessment method of microfinance programmes is mostly discussed in the current literature in relation to borrower welfare and women's capacity for empowerment. The documentation of these analyses leads to some contradictory findings, but it still shows that borrowers lack personal accounts, and the effects of loans might have an influence on their life. According to research, women made up about 95% of Grameen's borrowers, and this number increased through 2011. Similarly to this, 71% of all MFI borrowers were female. Studies also show that MFIs target women due to their relatively low default rates when compared to males. For this reason, Microfinance institutions have introduced a number of cutting-edge programmes to financially help their female clientele. MFIs are essential in advancing women's empowerment since they enhance women's capabilities, improve return on human capital by making them more affordable, and therefore raise women's living standards.

Review of Literature

“The Role of Microfinance in India” - Rajesh Babu Dasari, May 2021: In this study, the researcher has concluded that microfinance plays a significant impact on India's urban economy by promoting rural markets and offering better, quicker, and more inexpensive financing options. The use of information technology in microfinance is commendable, and with the advancement of computers and technology for communication, it may be converted into an easy-to-use tool that rural residents can use to access funding for the project they have in mind and create the small-scale business of their dreams. Therefore, by implementing a mix of information technology and microfinance, the rural economy may undoubtedly contribute to the expansion of the national economy.

“Role of Microfinance in Women Empowerment in India” - Dr Shuchi Loomba: Hence it can be stated from the foregoing research that microfinance is having a significant role in the overall social, psychological and economic empowerment of women in India. The use of microfinance loans effectively has been proven to have a significant influence on the advancement of women. According to the empirical results of the study, microfinance has a significant impact on the financial situation, capacity for making decisions, expertise, and sense of self-worth of women who participate in the self-help group linkage programme in Ghaziabad. Microfinance is widely acknowledged as a critical strategy for achieving and sustaining long-term, sustainable economic growth. Rethinking the fundamental presumptions and implementing the necessary modifications are necessary if impoverished people are to be reached on a large scale with common products on a consistent basis. Microfinance is now working to enhance flexibility and consistency while matching the simplicity and adaptability of the informal sector. It is clear from the presented research that, despite obstacles, microfinance has the potential of assisting the poor in enhancing themselves to higher standards of living and having an extremely beneficial part in improving women's empowerment.

“Microfinance and Women Empowerment An Empirical Study with special reference to West Bengal” - Dr Jyotish Prakash Basu: The fundamental issue of women's empowerment is explained by the study's theoretical framework. The selection of project investment determines empowerment. More women are empowered when safe initiatives are chosen than when doubtful ventures are. In the SHGs-Bank Linkage Programme in Andhra Pradesh and West Bengal, the Cooperative Banks and Regional Rural Banks were instrumental in the development of the groups. Only 5% of women who had borrowed money to use for income-generating purposes said they had complete autonomy over the funds. 38% of women said their spouses had total authority over the loan proceeds, while 56% of women said they share management with their husbands. Thus, the micro-finance programme explains the weak form of women's empowerment rather than the robust version. It is important to situate the financial inclusion policy within the larger framework of economic expansion and financial agglomeration.

“The Role of Microfinance in Women Empowerment: A study on the SHG Bank Linkage Program in Hyderabad (Andhra Pradesh)” - Dr M.Aruna and Ms Rema Jyothirmayi, May 2011: The microfinance industry has made great strides in recent years. The amount and volume of MFIs have grown astronomically. Numerous novel aspects have entered the market, including

participation from both private and multinational banks, as well as private equity and venture capital firms, wholesale money providers, rating agencies, and foreign retail organisations. Microfinance appears to have developed a nearly legendary status as the solution to all issues facing underdeveloped nations. According to the evaluation presented in this research, taking part in self-help groups and microfinance initiatives has a positive effect on participants' income, assets, employment, savings, access to loans, bank connectivity, knowledge, sense of worth, and ability to make decisions. Access to microfinance loans and their effective use has been demonstrated to have a significant influence on women's empowerment. The study experimentally demonstrates the beneficial association between microfinance and female empowerment using factor analysis and regression. This research aims to add to the microfinance literature by understanding how microfinance is now being used as a financial intermediary for promoting and enhancing women's empowerment. According to the experimental findings of the study, microfinance has a significant impact on the financial situation, ability to make decisions, understanding, and sense of worth of women who participate in a self-help group linkage programme in Hyderabad. As loans are "micro" in size and the intervals between doses of loans are long, it excludes the poorest segment and does not improve participants' asset positions.

“The Impact of Microfinance on Women Empowerment: Evidence from Eastern India” - Rahul Nilakantan, Saurabh C Datta, Priyanjali Sinha, Samar K Datta, 2013: In this study, the research has concluded that increased accessibility to microfinance, as indicated by a longer period of treatment, is linked to lower likelihoods of the borrower handling the business, higher likelihoods of increased effect over child-related choices, and lower likelihoods of increased impact over expenditure-related decisions. Instead of a clear contraction of women's sphere of influence, the research's findings seem to point to a shift of influence among family members along conventional gender lines. Instead of questioning gender norms and cultural expectations, the seen reallocation of power essentially follows them. Economic and female empowerment via microfinance can be significantly impacted by the intention and social viewpoints of the lender, which are frequently taken into account in the credit-plus method. If promoting gender equality is one of microfinance's objectives, then the research's findings highlight the significance of explicitly designing programme elements to do so, at least in the current context, as opposed to simply restricting the availability of credit to women and accepting that improvements in the family's economic situation brought on by the availability of microfinance will consequently result in empowering females.

“A Critical Study of Micro Finance Institutions & Its Growth in India” - Dr Devendra Singh, 2019: In this study, the research has highlighted the way in which the proliferation of human resources by means of the utilisation of microfinance initiatives has a significant impact on economic growth, which in turn affects the level of impoverishment and the empowerment of marginalised populations. To develop and integrate prospective microfinance initiatives for the elevation of each segment of the poor and the community, organisations like NABARD and SIDBI are calling for collaboration of efforts. The microfinance industry has improved thanks to NABARD and SIDBI, and major resources are now going into helping the underprivileged get the financing they need. Without precedent anywhere in the world, the banking system entered a phase of development, and more crucially, underprivileged people benefited from the many financial services.

“Challenges & Issues of Microfinance in India” - Dr Sanjeeb Kumar Dey, 2015: Every section of society, which includes farmers, rural micro entrepreneurs, and the poor, should have easy accessibility to sustainable financial services, like savings, financing, and insurance, offered by self-sufficient, viable financial institutions in a supportive fiscal environment that promotes the growth of MFIs, in order to achieve sustainable development. For the growth of organisations that can provide both financial and savings assistance, mobilise their own capital, have their funding repaid, cover their expenses from operating income, and finance their growth to the poor and non-poor with revenue, sustainable rural microfinance demands local leadership and cautious backing from donors. We shouldn't encourage impromptu or short-term fixes that have little prospect of being institutionally sustainable.

“Microfinance for Women Empowerment: A Review of Best Practices” - Basu Dev Lamichhane: This research proposes that empowering women who are entirely eliminated from government assistance has to do with an adequate supply of food, health, housing, educational possibilities, and financial access. Reduced poverty is directly impacted by women's empowerment. It's possible that the larger impact on society's values will be far more profound. The socioeconomic makeup of women is influenced by a number of elements, including their financial situation and degree of knowledge. The main barrier to empowering women is their restricted ability to acquire property, housing, negotiating power, facilities water, power, transportation, family decisions, and schooling. and a safe work environment. Other barriers include premature marriage, being denied the right to choose when to have children, as well as low levels of engagement with community activities. The expansion of microfinance, which targets individuals with low incomes especially, may be helpful for promoting financial empowerment and solving various concerns relating to women's poverty. Microfinance initiatives have been essential to women's social, psychological, and financial independence. It is seen as a starting point or a potent tool for empowering women. In order to better understand the broad connection between microfinance programmes and women's empowerment, this study offers a collaborative conceptual structure. The research involved depends on logical justification, historical literature, best practices, and the author's professional experience.

“Empowering Women Through Financial Inclusion: A Study of Urban Slum” - Shivangi Bhatia and Seema Singh, December 2019: In urban slums, this study looked at the connections between monetary inclusion and women's liberation on the basis of political, economic, and social empowerment. The findings were consistent with the hypothesised theory. The findings show that adopting official financial services makes various aspects of empowerment of statistical significance. Every liberation metric that supports the theories in this investigation and other research has a relationship with the autonomy of women. The study also shows that women who use financial services more frequently, such as establishing bank accounts and purchasing insurance, are more empowered in terms of the political, economic, and social realms. Increased bargaining, freedom to make choices in politics, the ability to make monetary choices at work, and the opportunity to make decisions for the family all have implications for raising women's empowerment. The findings of the present study on the impact of economic inclusion on several aspects of female

empowerment in urban slums also suggest that women who have access to PMSBY and PMJJBY are more generally socially, politically, and economically empowered. On the political, economic, and social elements of women's empowerment, financial integration was found to have a favourable impact. However, the long-term viability of these programmes depends on their contribution to the creation of economic opportunities for women. The policy choices should establish better systems and enable simple contact between various stakeholders on platforms, speeding up processes through supporting mechanisms.

Research Methodology

The methodology of research is a way for a researcher to explain how they intend to carry out their inquiry. It is a methodical, logical approach to a subject of study. A methodological framework describes how a researcher will conduct the study to obtain accurate, reliable data in order to accomplish the goals they have set. It outlines the information they will obtain as well as how, where, and how they will get it. A technique lends the investigation legitimacy and produces valid scientific findings. It also offers a comprehensive methodology that helps keep researchers on track and makes the process easy, effective, and manageable. By comprehending the researcher's methodology, the reader may be able to grasp the approach and techniques used to arrive at results.

Types of Research Methodology

1. Descriptive Research

A population, scenario, or phenomena is intended to be correctly and methodically described through descriptive study. What, where, when, and how inquiries can be answered, but why questions cannot. A descriptive research strategy can study one or more variables using a wide range of research techniques. When the goal of the study is to discover traits, frequencies, trends, and classifications, descriptive research is the most effective option. When little is understood about the subject or issue, it is beneficial. Understanding how, when, and where something occurs is necessary before you can investigate why it occurs.

2. Exploratory Research

Exploratory research is a technique approach that looks at research issues that haven't been thoroughly examined before. Exploratory research frequently has a qualitative primary focus. Nevertheless, a research with a sizable sample size that is exploratory in nature might also be quantitative. Due to its adaptable and open-ended character, it is also frequently referred to as interpretative research or a theoretically grounded method. When a particular issue needs to be investigated for the first time or when gathering data is difficult for any other reason, exploratory research is frequently performed. If you wish to investigate a broad concept or a particular subject, but there is no prior information or paradigm that allows you to do so, you can employ this sort of research.

Statistical tools adopted:

In this paper, with the help of different graphs and chart presentations, the data was evaluated.

Sampling technique:

A general questionnaire consisting of 14 questions was prepared with the objective of collecting data on the most important attributes for analysis.

Hypothesis:

The hypothesis proposed here is as mentioned below:

H0- Microfinance does not help in women empowerment in the Indian economy.

H1- Microfinance helps in women empowerment in the Indian economy.

Data types and sources:

Primary data

Information that has been gathered directly by the researcher is referred to as "primary data". According to the study's objectives, the primary data is acquired. For the aim of acquiring primary data, a small section of the population is selected as a sample. Experiments and surveys are then carried out on this sample to provide the desired results. The primary data is collected through research instruments such questionnaires, in-person interviews, behavioural observations, one-on-one conversations, online and offline surveys, etc.

Secondary data

Information that has already been obtained by another person is known as secondary data. One can get correct information via journals, government databases, UN databases, databases provided by analytics firms, financial data provided by businesses, etc.

Population:

Group of maximum people having knowledge of microfinance and women empowerment to which the findings are generalised

Sampling frame:

For performing non-profitability sampling randomly, a list of different people belonging to various professions was generated from a selected area.

Sample size:

Sample size of 70 respondents was selected for the meaningful study.

Study area:

The study is conducted throughout the city of Mumbai, India. Mumbai being the finance capital, is expected to have awareness and knowledge about microfinance and women empowerment.

Limitations:

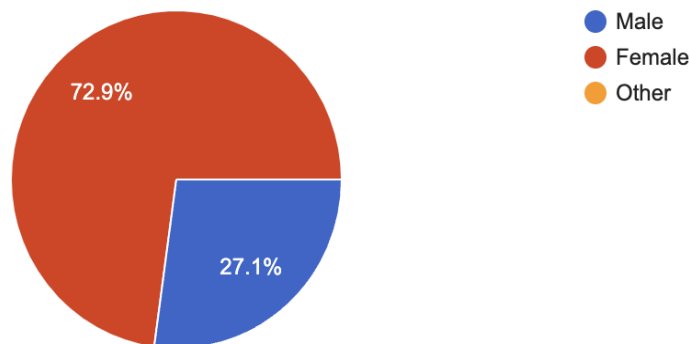
1. The respondents lack of knowledge to the questions in the questionnaire.
2. The research method of a questionnaire relies on self-reporting, which can lead to concerns of the accuracy and validity of the data.
3. Social desirability bias may be present when respondents were answering questions on the questionnaire.
4. The questionnaire does not provide in-depth insights into participants' thoughts, feelings and experiences.
5. The sampling technique used was snowball sampling, this can lead to lack of representativeness in the sample that may make it difficult to generalize the findings.

Data Analysis and Presentation

WE TOOK THE SURVEY: QUESTIONNAIRE METHOD AND RESULTS WERE AS FOLLOWS: WE GOT 70 RESPONSES TO THE COMPULSORY QUESTIONS ASKED BELOW:

What is your gender?

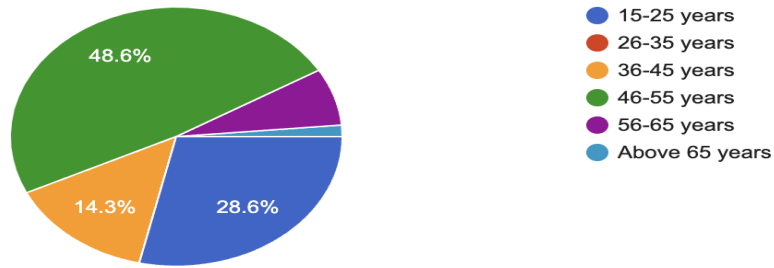
70 responses



72.9% of the people who filled this form were primarily females whereas, 27.1% were males.

What is your age?

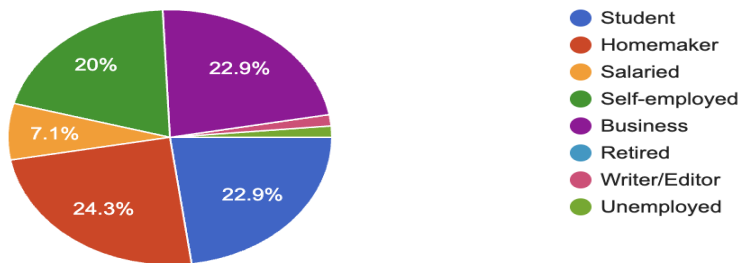
70 responses



The majority of people who completed this survey were between the ages of 46 and 55 years old, with 28.6% being those younger and falling in the age bracket of 15-25 years. A small percentage of individuals were above 55 years old.

What is your profession?

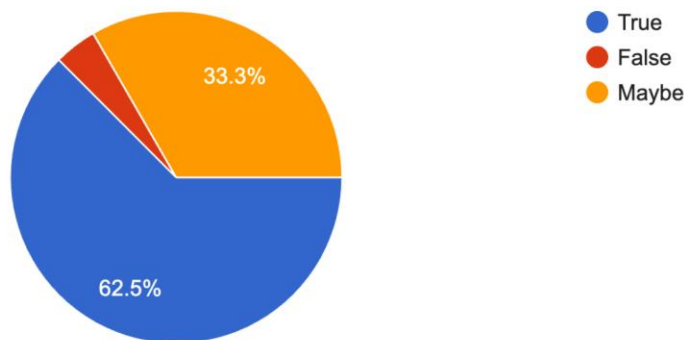
70 responses



Individuals who responded to this survey had a variety of professions from the majority being home makers (24.3%) students (22.9%), and a part of businesses (22.9%).

Microfinance can be of different types.

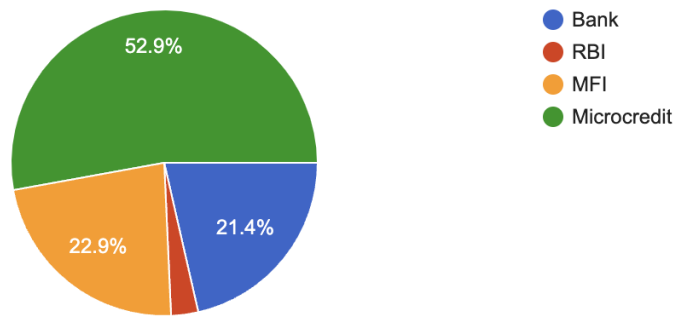
72 responses



The majority of people, of about 78.6 percent believed that Microfinance is a form of financial service provided to lower income groups and small businesses who lack access to banking services. A relatively small percentage of people thought microfinance was dealing with money by adopting micro-management.

Is Microfinance seen as a...?

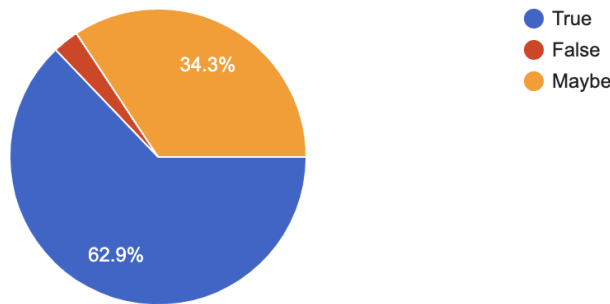
70 responses



52.9% of people think that Microfinance is seen as a Microcredit. Other popular answers were that microfinance is seen as a bank and as a microfinance institution (MFI).

Microfinance can be of different types.

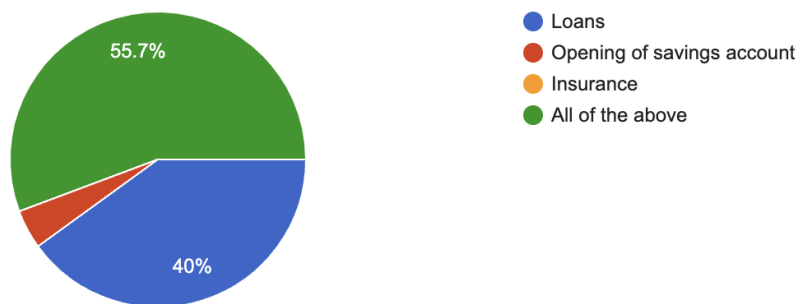
70 responses



Most individuals believe that microfinance can be of different types with 62.9% picking true and 34.3% being unsure by selecting Maybe.

In India, Microfinance is provided in the form of...

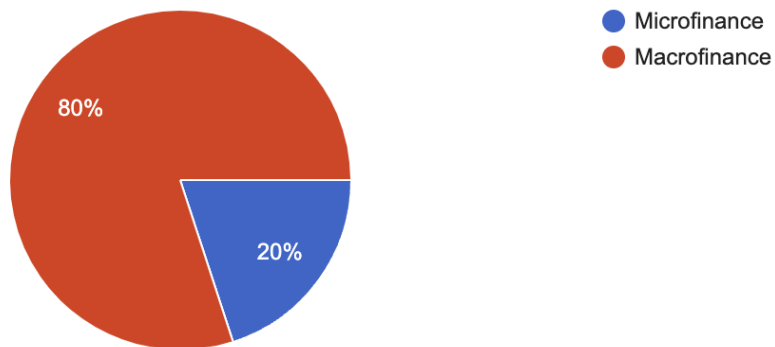
70 responses



In India, 95.7 percent of the individuals believe that microfinance is provided in the form of either loans or all the options given, which include loans, saving accounts and insurance.

Which is a broader concept?

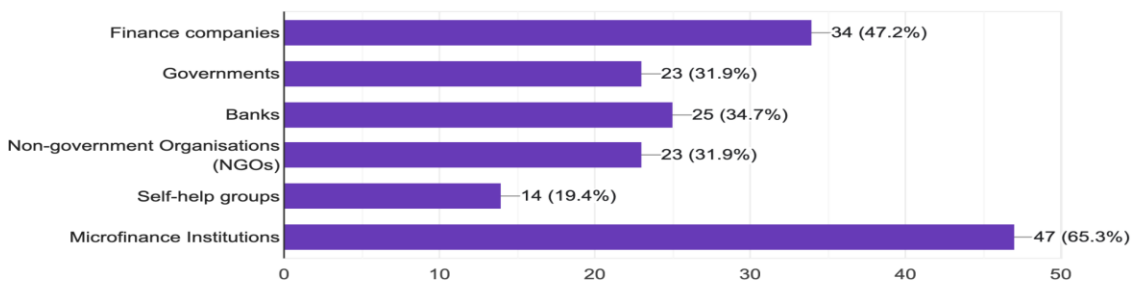
70 responses



As seen in the pie chart above, 80 percent of people think that macrofinance is a broader concept than microfinance.

In India, Microfinance is provided by...

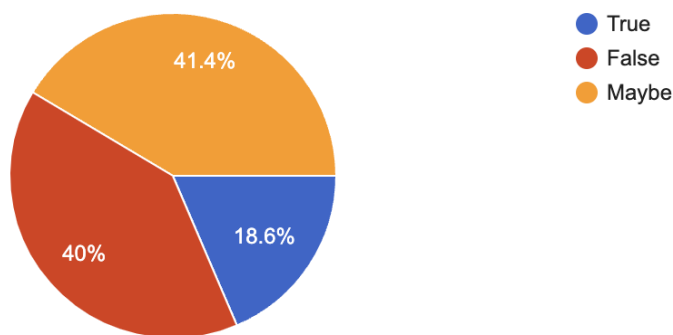
72 responses



The data above shows that 64.3 percent of people believed that in India, microfinance is provided by microfinance institutions (MFIs) whereas other popular answers were that it is provided by finance companies and banks.

Microfinance is an activity which does not have a fixed time period and which goes on and on without predefined tenure.

70 responses



41.4 percent of respondents thought that microfinance may be an activity which does not have a fixed time period and which goes on and on without predefined tenure. On the other hand, 40 percent of respondents believed this statement to be false and only 18.6 percent of responses selected that this is infact true.

What exactly is Women Empowerment?

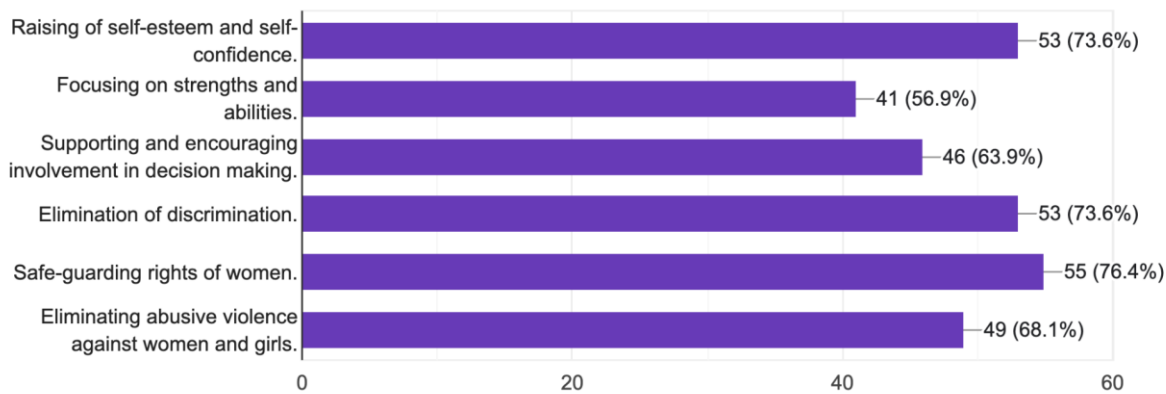
72 responses



The pie chart above depicts that the majority of respondents of about 95.7% believe that women empowerment is encouraging women’s feelings of self-worth, their autonomy in making decisions, and their entitlement to have an impact on societal change for both themselves and other people.

According to you, what are the objectives of Women empowerment in India?

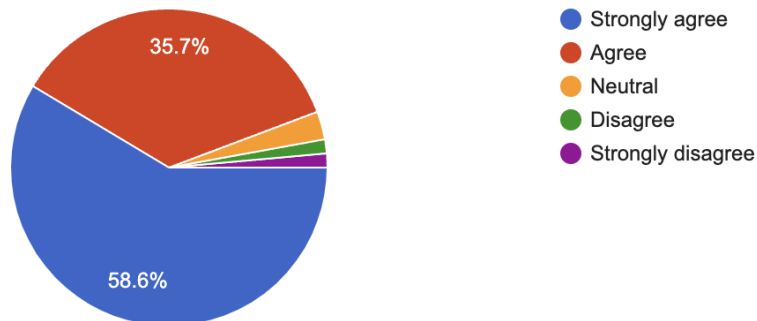
72 responses



The data presented in the graph demonstrates that according to most people, the objectives of women empowerment in India are the safeguarding rights of women, the elimination of discrimination and the raising of their self-esteem and self-confidence. A relatively few number of people believe that the objectives of women empowerment in India focus on strengths and abilities.

By encouraging self-employment, which therefore promotes the social well-being of women and their families, microfinance helps to increase women's empowerment and contributes to the creation of job prospects in India.

70 responses



All 70 respondents were asked whether they agreed with the statement above; that by encouraging self-employment, which therefore promotes the social well-being of women and their families, microfinance helps to increase women’s empowerment and contributes to the creation of job prospects in India. 58.6% strongly agree and 35.7% participants agree to this statement. Whereas a very small proportion of responses were either neutral or did not agree with this statement.

CONCLUSION AND SUGGESTIONS

Despite all official and non-government initiatives, women in India continue to be the most marginalised and discriminatory group in society. Microfinance has recently become recognised as a potent tool for empowering women, especially those in rural areas. The Indian Constitution places a strong emphasis on the idea of gender equality in its Preamble, Fundamental Rights and Duties, and Directive Principles. The Indian Constitution not only guarantees gender equality but also gives the state the authority to take action to improve the lot of women. Developing women into more knowledgeable, politically engaged, economically successful, and independent people who can participate in decision-making effectively is what is meant by "empowering" women.

Microfinance has a significant impact on the assets, income, and savings of women. When women participate in microfinance programmes, their economic status, knowledge of business operations, self-confidence to engage in income-generating activities, social and political awareness, development of organisational skills, and mobility all increase. Micro finance had greatest impact on household savings followed by literacy level, migration decrease, employment days, and expenditure on, home necessities, education costs, asset positions, income, and food costs. The group-initiated micro-enterprises' increased demand for workers led to a reduction in migration. The demand for workers from microbusinesses and family members' greater employability led to an increase in the number of employment days.

Microfinance is commonly regarded as an efficient instrument to reach out to under banked yet aspirant women who are willing to bring about a change in society because of its reach and connection with the rural people. The recent increase in borrowing by women provides insight into the importance of microfinance institutions (MFIs) in the nation. The preparation of women for increased roles as contributors to national progress and their empowerment via financial inclusion are crucial. However, the banking industry, micro-finance organisations, and the government should all share in this joint duty. Building a financially inclusive and empowered society while taking into consideration the geographic and demographic diversity of India and its obvious educational backwardness is no simple undertaking. Therefore, it is necessary to implement a comprehensive action plan that not only strives for a financially inclusive society but also empowers and provides women with the fundamental tools for self-employment. This will surely build the groundwork for a brand-new, forward-thinking India that is based on independence and economic resiliency.

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Appendix:

Questionnaire

- Q1. What is your gender? *
- Male
 - Female
 - Other
- Q2. What is your age? *
- 15-25 years

- 26-35 years
- 36-45 years
- 46-55 years
- 56-65 years
- Above 65 years

Q3. What is your profession? *

- Student
- Homemaker
- Salaried
- Self-employed
- Business
- Retired
- Other

Q4. What is Microfinance? *

- It refers to smaller denomination of money.
- It is a form of financial service provided to lower income groups and small businesses who lacks access to banking and other financial services.
- It is dealing with money by adopting micro-management.
- It involves large organisations and entities like governments, big businesses and big industries.

Q5. Is Microfinance seen as a...? *

- Bank
- RBI
- MFI
- Microcredit

Q6. Microfinance can be of different types. *

- True
- False
- Maybe

Q7. In India, Microfinance is provided in the form of... *

- Loans
- Opening of savings account
- Insurance
- All of the above

Q8. Which is a broader concept? *

- Microfinance
- Macro finance

Q9. In India, Microfinance is provided by... *

- Finance companies
- Governments
- Banks
- Non-government Organisations (NGOs)
- Self-help groups
- Microfinance Institutions

Q10. Microfinance is an activity which does not have a fixed time period and which goes on and on without predefined tenure. *

- True
- False
- Maybe

Q11. What exactly is Women Empowerment? *

- Encouraging women's feelings of self-worth, their autonomy in making decisions, and their entitlement to have an impact on societal change for both themselves and other people.
- Find a job for them.

- Educating women and making them literate.
- Helping women to rule men.

Q12. Women empowerment is a process which can be carried out to various stages of entry, advancement, incorporation, and commitment. *

- True
- False
- Maybe

Q13. According to you, what are the objectives of Women empowerment in India? *

- Raising of self-esteem and self-confidence.
- Focusing on strengths and abilities.
- Supporting and encouraging involvement in decision making.
- Elimination of discrimination.
- Safe-guarding rights of women.
- Eliminating abusive violence against women and girls.

Q14. By encouraging self-employment, which therefore promotes the social well-being of women and their families, microfinance helps to increase women's empowerment and contributes to the creation of job prospects in India. *

- Strongly agree
- Agree
- Neutral
- Disagree
- Strongly disagree